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Japan

Government Silent on U.S. Threat To Bomb Iraq

OW2907090391 Tokyo KYODO in English 0852 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—Japan called on Iraq to reveal its nuclear capabilities Monday, but reserved comment on whether it would back a possible U.S. attack if Iraq fails to comply.

Deputy Chief Cabinet Secretary Nobuo Ishihara also said that, to his knowledge, the United States has not consulted Japan about possible military action.

The U.N. deadline for Iraq to disclose its nuclear capabilities passed last Thursday.

The NEW YORK TIMES on Sunday reported that Britain and France are among the Gulf war allies which have been consulted on possible military strikes against nuclear sites, as well as "leadership targets."

Japan contributed some 9 billion dollars to support the U.S.-led coalition against Iraq but declined to contribute troops due to a constitutional ban on the use of force to resolve international conflicts.

Cresson Stance on Japanese-French Ties Viewed

Efforts To Improve Ties

LD2707020391 Paris France-Inter Radio Network in French 1700 GMT 26 Jul 91

[Text] Things are better between Cresson and Japan. Japanese Ambassador to France Akitane Kiuchi expresses satisfaction with the fact that Cresson tries to improve relations between the two countries and expresses readiness to work hard to prevent any misunderstandings. Asked about the behavior of Japanese extreme right-wing members who on 14 July beheaded an efigy of Cresson, the ambassador said bluntly: They are idiots. He is also an expert on rough language.

Nakao Comments on Cresson

OW2807095091 Tokyo KYODO in English 0933 GMT 28 Jul 91

[Text] Karuizawa, Nagano Pref., July 28 KYODO—Minister of International Trade and Industry [MITI] Eiichi Nakao said Sunday that French Prime Minister Edith Cresson's sharp criticisms of Japan as an economic aggressor should be attributed to her "female sensibilities."

"Cresson's views may be said to be due to her female sensibilities. There is no need to feel resentment or hold a grudge," Nakao told a seminar for supporters of the ruling Liberal Democratic Party.

Since her appointment as premier in May, Cresson has referred to the Japanese as "ants" and accused Japan of being "another universe which wants to conquer."

Nakao conceded that as a statement of "emotion," the French prime minister's views may have a following in Europe.

Japan is difficult to understand and its economic activities may appear awesome, Nakao said.

"Seen from Europe, Japan may appear as a bunch of extraterrestial aliens, with the energy of a black cyclone that is whipping around the world," Nakao said.

He was addressing a panel discussion on the international economy in this mountain resort town, 140 kilometer northeast of Tokyo.

Acceptance of EC Plan on Japanese Car Sales

OW2707024691 Tokyo KYODO in English 0044 GMT 27 Jul 91

[Text] Tokyo, July 27 KYODO—Japan is ready to accept in principle a European Community plan to limit Japanese car imports for seven years after the EC moves into a single market in 1992, government officials said Saturday.

Top envoys from the 12 EC states agreed Friday to freeze Japanese car imports at about 1.23 million vehicles a year for the seven-year transition period before all import restrictions are lifted in 1999. The deal is still subject to approval by Japan.

Officials at the Ministry of International Trade and Industry described the EC decision as "a virtual basic agreement between Japan and the EC," but expressed caution over how Japanese-brand cars made in the EC will be treated.

The EC's agreement reportedly is based on expectations that Japanese car makers will turn out 1.2 million vehicles a year at their plants in the EC by the end of 1999, five times present levels.

Minister of International Trade and Industry Eiichi Nakao has said he will cooperate with the EC over automobile trade, but a senior official in charge of auto trade has warned that Tokyo will not accept any ceiling on sales of cars built at plants in the EC.

Japan and the EC are slated to begin negotiations over auto trade next month, and Japanese negotiators are expected to inform their EC counterparts that Japan is willing to agree to the transition period and the size of annual direct imports.

Automakers React 'Calmly'

OW2707055691 Tokyo KYODO in English 0326 GMT 27 Jul 91

[Text] Tokyo, July 27 KYODO—The Japanese automobile industry reacted calmly Saturday to a European Community (EC) plan to limit Japanese car imports for seven years after the EC becomes a single market in 1992.

Ambassadors from the 12 EC states agreed Friday to freeze Japanese car imports at about 1.23 million vehicles a year for the seven-year transition period before all restrictions are scrapped in 1999.

"The level of import quotas is almost the same as we had expected," commented an official at Toyota Motor Corp., who asked not to be named.

He and officials at other automakers otherwise voiced caution over how Japanese-brand cars made in the EC will be treated, as the EC is reportedly moving toward setting a ceiling on sales of such cars.

The EC's agreement reportedly is based on the assumption that Japanese car makers would turn out 1.2 million vehicles a year at their plants in the EC by the end of 1999, five times present levels.

Among major Japanese automakers, Nissan Motor Co. has already begun production at its plant in Britain and plans to boost production by 100,000 to 220,000 vehicles in 1992. Plants for Toyota Motor Corp. and Honda Motor Co. are now under construction in Britain and they aim to launch production in late 1992.

The EC member states reportedly are divided on whether to regulate sales of Japanese cars built in the EC, with Britain opposing setting any ceiling on them, but France and Italy seeking tough restrictions to protect their automakers.

Okinawa Mayors Interviewed on U.S. Bases, Ties

Naha Mayor on Slow Development

OW2807084691 Naha OKINAWA TIMES in Japanese 28 Jul 91 Morning Edition p 2

[Interview with Naha Mayor Kosei Oyadomari by unidentified reporter—first in a series of interviews entitled "Heads of Local Governments on Return of Bases"; place and date not given; first paragraph is OKINAWA TIMES introduction]

[Text] OKINAWA TIMES is to cosponsor a "Symposium on Bases," a program to mark the 20th anniversary of reversion, on 7 August in cooperation with ASAHI SHIMBUN. With this symposium in mind, we met with heads of major municipalities with U.S. military bases and discussed the present conditions of the bases, programs for their return, and plans for utilizing the sites.

[OKINAWA TIMES] It has been agreed that Naha military port would be returned on the condition that it be relocated, but it is yet to be returned. What is its area and what is its ratio of the city's territory?

[Oyadomari] The military port is approximately 575,000 sq m in area and takes up 1.51 percent of the city's territory. It breaks down to approximately 315,000 sq m of privately owned land and about 15,000 sq m of city-owned land. State-owned land is approximately 210,000 sq m and prefecture-owned land is approximately 35,000 sq m. Privately-owned land predominates, but it includes lots owned by different owners.

[OKINAWA TIMES] It is believed that the presence of the military port hinders city development planning.

[Oyadomari] The most serious problem is that the land is used for military purposes and it cannot be put to use for the citizens. As the seat of a prefectural government, Naha is the second largest in the nation in terms of population density. The city has become cramped, but citizens cannot utilize the land. I think it is undeniable under the Constitution and in the spirit of local autonomy that priority should be given to the citizens for using the land. Naha Port is a key point for distribution, and, at the same time, the center of a resort to be developed in the future. We must maintain it as a marine resort center of the southern sphere [of Okinawa], but there has been no progress because of the military port's presence. There are hindrances even to expanding the free trade zone and building a cultural city.

[OKINAWA TIMES] You have taken various actions to seek the return of the military port and are scheduled to visit the United States this time. Can you explain the developments that led to this?

[Oyadomari] First, we instituted a suit challenging the constitutionality of the military port. It is a very difficult course of action for a local autonomous entity to institute administrative litigation against the national government, and I think it should not really take place. We held negotiation after negotiation, but we did not get anywhere. Eventually we decided to try a judicial settlement to this issue. Regrettably, the result was that we lost the suit. Our supporters expressed the view that we should file an intermediate appeal, but the pattern of judicial precedent of this sort is set, and it is a general conception that the higher you go, the less a reformist way of thinking is understood. We gave up appealing the case with the belief that citizens would lose interest if we continued to lose in court.

Instead, we had Diet members, elected from Okinawa Prefecture, address themselves for its return in all areas, and the municipal assembly also adopted a resolution calling for its return.

We are well aware that this issue involves another country; however, to make it understood that we are in a compelling situation, I have decided to visit Washington and make a direct appeal. I intend to do this not once, but continuously.

[OKINAWA TIMES] What are your thoughts about bases?

[Oyadomari] In our dealings with the national government there are areas that do not mesh. The national government says, "Japan is obliged to provide bases to the United States under the Japan-U.S. Security Treaty." We are fully aware of that, but why then does Okinawa, which accounts for less than 1 percent of national territory, have to house as much as 75 percent of the U.S. military bases in Japan? I believe even the government cannot deny the fact that constitutionally this represents discrimination against Okinawa.

On one hand, there are financial subsidies and grants-in-aid provided by the national government, but, on the other hand, we are tormented by heavy stress from the bases. I feel that this present situation is contradictory.

Kadena Mayor on Problems

OW2907070891 Naha OKINAWA TIMES in Japanese 29 Jul 91 Morning Edition p 2

[Interview with Kadena Mayor Tokujitsu Miyagi by unidentified reporter—second in series of interviews entitled, "Heads of Local Governments on Return of Bases"; place and date not given]

[Text] [OKINAWA TIMES] Could you explain the current situation of Kadena Air Base [KAB], which is said the largest in the Far East?

Miyagi: KAB occupies 12.47 square km out of Kadena's total area of about 15 square km, which is about 83 percent of the total. As you can see in air photographs of the town, the huge military base pushes over 14,000 Kadena residents into an area comprising the remaining 2.57 square km. Planes take off and land on there everyday, and the base has various functions, such as an advance position for the Vietnam war, a logistical position for the Gulf war, and a base coping with a volcanic disaster in Philippines. KAB is serving as the biggest strongpoint of the U.S. Forces in the Far East.

[OKINAWA TIMES] Your town is greatly suffering from the KAB presence, is not it?

Miyagi: People are suffering from the noises from KAB, and they are always afraid that "planes may crash into the town sometime." In fact, a KB-50 and a KC-135 crashed in 1962 and 1966, respectively, and killed three people in the town. A B-52 explosion in 1968 caused a panic among the people. Moreover, underground water resources are polluted by dust, aircraft fuel, and detergents discharged on base. We also feel insecure because of the possibility of the existence of nuclear arms. While Major General H. Stackpole recently noted U.S. bases' contribution to prosperity of Okinawa, the U.S. Forces have always assaulted us and we have never benefited from them.

[OKINAWA TIMES] There must be much direct damage caused by the base. Do you have indirect damage too?

Miyagi: I think that the presence of KAB causes damage to our physical and mental health. Although the government offers soundproof windows and air conditioners for households in the vicinity of bases, it does not take care of maintainance expenses. Air-conditioned rooms create quite unhealthy living conditions because they are ill-ventilated. Noises cause serious problems for local schools.

[OKINAWA TIMES] Could you describe the town's base policy in the past and its future course of actions?

Miyagi: The Kadena Municipal Assembly repeatedly adopted resolutions to urge the U.S. Forces and the Japanese Government to recover damage from base-related incidents. The Municipal Office has to deal with a lot of extra work because of the KAB presence, but we should cope with the situation. The office is planning to establish a liaison division specializing in base-related affairs to meet the people's needs.

[OKINAWA TIMES] How are you doing in requests for returns of military facilities?

Miyagi: We are asking for a return of Kadena Marina facilities because they are currently idle. We cannot afford to ignore such recreation facilities, in addition to KAB. Young people are getting out of our town because its residential area is too small. To revitalize and redevelop the town, I would like to ask the U.S. Forces and the Japanese Government to do their best for returning military facilities.

[OKINAWA TIMES] You were inaugurated as the Kadena mayor this February. As a new mayor, please briefly describe your stance toward the base issue.

Miyagi: Kadena symbolizes Okinawa as the base island. I want the government and the public to recognize that base-related damages are constantly focused on a certain region. Kadena residents feel insecure and indisposed because they do not know when their land lots will be returned. I want the government to keep its eye on the problem. We would like to try our best so we can be proud of our town with its well-developed education and peaceful culture.

Defense Agency To Delay AWACS Purchase

OW2707031791 Tokyo KYODO in English 0124 GMT 27 Jul 91

[Text] Tokyo July 27 KYODO—The Defense Agency will put off buying two E-3A Boeing airborne warning and control systems (AWACS) planes for a year because of an unexpected price increase, agency officials said Saturday.

The officials said the agency was planning to buy two E-3A AWACS planes at 32.5 billion yen each by the end of fiscal 1992, but the U.S.-based Boeing Co. now estimates the planes will cost about 60 billion yen each.

The proposed delay means the planes would not be purchased until fiscal 1993, which begins in March 1993.

Under the Defense Agency's new five-year defense plan, which began last April, Japan is to buy four AWACS jets, making them a pillar of its defense program.

The agency has asked Boeing to reduce the prices of the planes, said the officials.

The officials said that the agency will explore the possibility of buying AWACS from other U.S. aircraft firms if Boeing declines to cut the price.

The officials quoted Boeing Co. executives as saying it already had suspended the production line that manufactures the bodies of Japan's AWACS, which use the same body as the Boeing 707 jet passenger plane. The line must be reopened to produce the Japanese planes, which makes the AWACS more expensive, Boeing officials have said.

Boeing is not expected to soften its stance on the price because of booming demand for its civilian planes, the officials said.

The officials said the agency will not give up on purchasing AWACS, which have air control, warning, and command operation systems to defend against attacks from enemy missiles, aircraft and warships.

The agency wants to buy the AWACS as soon as possible to boost Japanese Air Defense drastically, in part because the Soviet Union has deployed its AWACS in East Asia, the officials said.

The agency will consider to placing new radars on new P-3C antisubmarine patrol aircraft that are to be produced by two other major U.S. aircraft firms—Lockheed Aircraft Corp. and Grumman Corp., the officials said.

The officials said the agency will also consider putting AWACS equipment on C-130 transport planes.

The officials said both alternative plans are cheaper than buying Boeing-manufactured AWACS planes.

Daily Summarizes 1991 Defense White Paper

OW2707045891 Naha RYUKYU SHIMPO in Japanese 26 Jul 91 Evening Edition p 6

['Summary' of the 1991 Defense White Paper presented by Defense Agency Director General Yukihiko Ikeda and approved at the 26 July cabinet meeting]

[Text] The following is a summary of the 1991 Defense White Paper.

Chapter I. International Situation.

Despite the prospect for creating a new era after the end of the Cold War, the current international military situation is facing destabilizing factors such as the uncertainty of current moves in the Soviet Union, the situation in the Third World including the fluid Middle East situation following the Gulf crisis, and the unclear Asian situation.

In the Soviet Union, which is promoting perestroyka and other reforms, economic reform remains stalemated; and conservatives—disenchanted with domestic unrest, the intensifying nationality issue, and the departure of East European nations from the Soviet Union—are increasingly voicing their discontent. The Gorbachev regime at one time showed signs of depending on the conservatives, but it is now tilting back toward the reformers. The future prospect for the Soviet Union remains unclear.

In the face of the Gulf crisis, the international community united itself in the United Nations to counter Iraq's illegal aggression of Kuwait. This is seen as presenting a new direction for maintaining and restoring peace in the international community. It is necessary to make efforts to maintain proper defense capabilities in order to maintain the existence and independence of the state. It is also necessary for the international community to bolster the function of the United Nations in order to maintain peace. Regarding the proliferation of various weapons to the Third World, there have been moves to take international measures to deal with the proliferation.

The Asian and Pacific region is complicated compared with Europe. Issues involving the Korean Peninsula, Cambodia, and the northern territories remain unresolved and the prospect for their solution remains unclear. While the Soviet Union continuously made quantitative cuts in its forces in the Far East, it steadily improved their qualitative capabilities. These moves increased the tension in the regional military situation and this remains unchanged.

European Situation

East-West relations in Europe drastically developed into relations of mutual understanding and cooperation. In November 1990, the Conference on Security and Cooperation in Europe (CSCE) adopted the Paris Charter declaring that the era of confrontation and division in Europe is at an end.

The two Germanys were unified in October 1990. The Warsaw Treaty Organization was dismantled in 1991. A basic agreement on START was reached at the U.S-Soviet summit talks and an accord on reducing the Conventional Forces in Europe (CFE) was signed. Thus, progress has been made in various arms control and disarmament negotiations. It is necessary to pay attention to whether the CFE could develop into an organization to maintain and promote European security. Low productivity, runaway inflation, and foreign currency shortage are further aggravating the economy in the Soviet Union. The nationality issue and the feud between the federation and republics are escalating. Thus, the future of domestic reforms is unpredictable.

Military Preparedness of the United States and Soviet Union

The Soviet Union is finding it difficult to strengthen its military power and expand its external influence confronted with structural and serious economic stagnation. However, the Soviet Union puts its top priority on maintaining a military power capable of countering the United States and of securing its international influence. The Soviet Union is modernizing its military strength and improving its efficiency. It recently stressed the shift to "a defensive doctrine" and the switch to the principle of "rational sufficiency." Nonetheless, their contents are not necessarily clear.

The United States is committed to four points—strategic deterrence and strategic defense war capabilities so as to maintain a reliable deterrent power; forward deployment war capabilities in peace time; conventional forces to cope with unexpected regional crisis; and the rebuilding of war capabilities. Of late, such low intensity conflicts (LIC) as terrorism, revolt, and civil wars are frequently occurring in many parts of the world. It has become necessary not only to avert them, but to fight them because they may threaten the security of free world nations, including the United States.

The United States is expected to cut its defense budget by an average of 3 percent every year until 1996. By 1995, the United States is also expected to decrease its ground divisions to 12, its aircraft carriers to 13, its combat ships to 451, and its strategic bombers to 181. As regards the number of servicemen on active duty, the United States is expected to decrease their strength from about 2,070,000 in 1990 to about 1,650,000 in 1995.

Moves of the Third World

Attention must be paid to the danger of potential conflicts in the Third World surfacing against the backdrop of East-West detente and developing into regional conflicts.

In the Gulf crisis, the multinational forces, in accordance with the UN resolution, on 17 January used force as a last resort against Iraq to completely restore peace in the Gulf region and to remove the Iraqis from Kuwait. Japan expressed its firm support for the military actions taken by the multinational forces and provided more than $13 billion in financial contributions.

Drastically eased tensions between East and West are creating a situation where potential conflicts in the Third World can easily surface. The prevention of regional conflicts in advance, and how to cope with such conflicts if they do occur, will be the major task for the international community.

During the Gulf crisis, the international community united within the United Nations in order to remove the aggressor by force; this provides a new alternative for maintaining and restoring peace within the international community in the post-cold war era. The United Nations has bolstered its Peace-Keeping Operation (PKO), a security function of its own, to prevent the recurrence of such conflicts, and the importance of the United Nations is expected to become increasingly greater in the future. Moves appeared to strengthen international measures in order to cope with the issue of transferal and proliferation of all kind of weapons to the Third World, including high-performance weapons and weapons of mass destruction.

Military Situation Surrounding Japan

The Soviet Union quantitively reduced its forces over the past two years; however, they have reduced mainly outdated military hardware while deploying modern equipment. In view of the size and combat capabilities of Soviet forces deployed in the Far East, the Soviet Union keeps forces there beyond its defense needs.

Unlike in the past, the Soviet Union finds it difficult to take aggressive action against other nations because of the current domestic and international situation. However, there is no change in the situation where the moves of Soviet forces in the Far East are creating a tense military situation regarding Japan.

During his stay in Japan in April this year, President Gorbachev said that the Soviet Union would soon take measures to decrease Soviet forces deployed in the northern territories. However, no details of these measures are known. Soviet forces deployed near Japan are still conducting brisk military activities. The Soviet forces have practical combat capabilities, are seeking to aggressively modernize their air combat capabilities, and are seeking to improve their efficiency.

The United States is placing its emphasis on sea combat capabilities. It is deploying air and ground units primarily in Japan and South Korea.

China has been consistently seeking to shift away from "the people's war" centering on guerrilla warfare and towards combat preparedness centering on regular war. As part of the effort for this shift, China is increasing its arm exports to the Third World while modernizing its own military hardware.

On the Korean peninsula, military tensions continue as more than 1.4 million troops of both South Korea and the DPRK (North Korea) confront each other. North Korea built nuclear-related facilities, and research and development of long-range surface-to-surface missiles is under way. There are concerns that North Korea might even attempt to develop nuclear weapons on its own.

Chapter II: Defense Policy of Our Nation

The basis of our defense is to prevent aggression by possessing an appropriate scale of defensive capabilities and maintaining the Japan-U.S. security system. This may be the paradox of what is called defense. There is a tendency that the more effectively aggression is prevented and peace is maintained, the weaker the people's understanding becomes of the importance of defense efforts. Therein lies the reason why it is so difficult to obtain the understanding and cooperation of the people on the defense issue.

Basic Way of Thinking

Peace is not secured by prayers only. Maximum effort must be made commensurate with national capabilities and national circumstances. Our nation is expected to make further contributions to world peace and prosperity. The functions of military capabilities cannot be substituted with any other means or power. Military capabilities are the final guarantee for national security.

We say our nation will not become a military power. What this means is that the nation will not have military capabilities surpassing the minimum level necessary to defend our nation and will not become a threat to other nations.

Japan-U.S. Security System

It is essential that communications are kept [with the United States] on all occasions and at all levels. It is important that mutual understanding be promoted between the Self-Defense Force [SDF] and U.S. forces on strategic and other issues and that interoperability be improved. The first Japan-U.S. joint air transport exercise was conducted in 1990. Japan and the United States are endeavoring to cooperate in new fields through regular meetings on equipment and technology. New measures have been taken in 1991 on the sharing of costs to maintain the U.S. troops in Japan.

Chapter III: SDF for the People

Contributions to Society

In addition to defense missions, the SDF is performing various other activities to help the people, for instance, being sent to disaster areas. Such activities help SDF members recognize and have pride in the contributions they are making for the people in peace time. These activities are contributing to promoting the understanding that the SDF exists to meet the basic needs of the people.

Among the activities performed by it are rescue operations at times of disasters; disposal of dangerous objects; participation in civil engineering projects; cooperation in the Antarctic area observation missions; cooperation in iceberg observation missions; cooperation in volcanic activity observation missions; cooperation in measures to deal with radiological problems; cooperation in surveys of wild birds feared of extinction; cooperation with National Land Geography Institute in preparing maps; cooperation in the national protocol activities, air transport of state guests, and athletic events; cooperation in collection of remains of the war dead from Iwo-jima; and contributions in medical areas.

Contributions Related to the Gulf Crisis

The government introduced to the 1990 fall extraordinary Diet session a bill on UN peace cooperation providing for the dispatch of SDF members as peace cooperation force members, but the bill was scrapped before a debate on it was completed. Subsequently, when a war broke out in the Gulf area, it was foreseen that the situation will lead to an exodus of a large number of refugees and the government was ready to transport refugees on the SDF transport planes, by applying the provisions of the SDF Law. After a cease fire became effective, the government dispatched to the Persian Gulf a fleet of minesweepers to engage in operations of removing and disposing of mines placed by Iraq. This dispatch of an SDF element without the purpose of exercising force is not regarded as SDF overseas deployment.

The dispatch of the minesweeper unit is significant as it is a manpower contribution for the peace and humanitarian purpose of securing safety for vessel navigation and thus aiding in the reconstruction of a victim country in the war. This action is getting the domestic and international understanding and appreciation.

[Text] **Conclusion**

The world today is looking forward to a new era after the Cold War days have passed. But there are still various elements of instability while changes are taking place. Given this situation, as far as our nation is concerned, it is important that the nation continues its own defense efforts and maintains and strengthens the Japan-U.S. security system.

The SDF exists to defend the peace and sovereignty of our country, using its own force, in the event of an aggression against it. This function of defense can be fully performed only when employing an organized body. In such an organized body, many healthy young men and specialists of various areas are getting ready to perform their missions in cooperation, employing modern equipment and observing strict discipline.

The SDF with these many people, equipment, and know-how is a group with capabilities that cannot be seen elsewhere in our society. This indeed is an asset of the people.

Now it has become a task of the nation to decide what this nation should do in making more contributions desirable from the international perspective—like relief activities in overseas disaster areas and the peacekeeping operations of the United Nations, and the world's attention is being turned toward the decision Japan will make.

In such a situation, what role the SDF should play is a question that all the people of the nation must think about in the future.

LDP Official Urges SDF Role in Peacekeeping

OW2707133191 Tokyo KYODO in English 1038 GMT 27 Jul 91

[Text] Karuizawa, Nagano Pref., July 27 KYODO—A senior official of the ruling Liberal Democratic Party (LDP) urged parliament Saturday to swiftly clarify how Japan will participate in U.N. peacekeeping forces if it is to avoid international isolation.

"It is important for Japan to clearly tell the world what it can do and what it can't do" to contribute to international peacekeeping efforts, said Takeo Nishioka, chairman of the LDP's decision-making executive council.

Speaking at an LDP seminar for party supporters in Karuizawa, Nagano Prefecture, Nishioka said if Japan hesitates over the question of whether to send its military to join U.N. peacekeeping operations, the international community may become impatient.

"The reason why Japan has been an object of dislike recently is that while we think we are exerting ourselves to the utmost, others do not," Nishioka told the annual seminar held in this summer resort town, west of Tokyo.

The government of Prime Minister Toshiki Kaifu is expected to unveil August 1 an outline of a bill enabling Japan to participate in U.N. peacekeeping activities.

The LDP and two of opposition parties, Komeito and the Democratic Socialist Party (DSP), will open discussions on the bill the following day, LDP sources said.

The Kaifu cabinet is expected to submit the bill for discussion during the extraordinary session of the Diet or parliament opening August 5.

However, the bill, first suggested last fall, will have to vie for attention with expected contentious debate on a new brokerage scandal and legislation on political reform, the LDP sources said.

Nishioka said at the party seminar that he advocates the full participation of the Self-Defense Forces (SDF)in the U.N. peacekeeping forces.

He said he does not believe his position conflicts with Japan's Constitution because the United Nations, following the decline of the Cold War, is finally beginning to play the role envisaged by its founders some 45 years ago.

The Constitution bans the country from exercising "the threat or use of force as means of settling international conflicts." It also says Japan will never maintain land, sea, and air forces.

Joint action by U.N. member nations when a member of the international community disturbs the peaceful world order is different in nature from the "use of force," Nishioka said.

Nishioka warned that reluctance by the cabinet legislation bureau to endorse participation by the SDF, because the position would be inconsistent with previous Diet debate, could jeopardize Japan's future.

"We should not make a mistake only to stay faithful to precedents," he said.

Later, in a panel discussion on Japan and the post-cold war era, former ambassador to Washington Yoshio Okawara said participating in U.N. peacekeeping operations is important for Japan to signal its support for a strong United Nations.

Former Vice Minister of Defense Seiki Nishihiro voiced support for continuing the Japan-U.S. security treaty to avoid military competition with China.

"If there were no treaty, Japan and China would vie to show who is stronger," he said.

SDP Promotes Yamahana as New Secretary General

OW2807130491 Tokyo KYODO in English 1221 GMT 28 Jul 91

[Text] Tokyo, July 28 KYODO—Senior officials of the Social Democratic Party (SDP) have decided to promote Vice Secretary General Sadao Yamahana to secretary general, party sources said Sunday.

Yamahana, 55, will succeed Tsuruo Yamaguchi if his appointment is approved at the SDP's extraordinary convention to be held Tuesday and Wednesday.

The selection of Yamahana follows discussions in Tokyo before the convention between Makoto Tanabe, newly chairman of Japan's No. 1 opposition party, and his aides on new party leadership.

Yamahana, a House of Representatives member, belongs to a leftwing intra-party faction that aims at reforming the SDP.

For the position of chairman of the SDP's policy board, Masaru Hayakawa, 50, known for his middle-of-the-road policies, has emerged as the most possible choice, the sources said.

They said Tanabe wishes to recruit as many women and young party members as possible for the party's senior posts.

Gunma Prefecture Elects New Governor

OW2807140491 Tokyo KYODO in English 1303 GMT 28 Jul 91

[Text] Maebashi, July 28 KYODO—Hiroyuki Kodera, former vice governor of Gunma Prefecture, easily won Sunday's election for governor of the prefecture.

Kodera, 50, supported jointly by the Liberal Democratic Party, the Social Democratic Party, Komeito, and the Democratic Socialist Party, defeated Shunichi Yoshimura, 47, a lawyer, backed only by the Japanese Communist Party.

Kodera garnered 498,033 votes while Yoshimura got 92,179 votes, election administration officials said.

The turnout was a record low 41.59 percent, the officials said.

Reaction to Securities Scandal Continues

U.S. Currency To Stay Firm

OW2707024491 Tokyo KYODO in English 0038 GMT 27 Jul 91

[Text] Tokyo, July 27 KYODO—The U.S. dollar is expected to trade on a firm note against the yen as scandals embroiling Japanese brokerage houses and some banks undermine international confidence in the Japanese financial community, dealers and analysts say.

For most investors, however, there will be little incentive to try to push the dollar above 140 yen as worries about possible central bank intervention persist, they said.

Some also pointed to unabated skepticism about the health of the U.S. economy, a factor which has generated speculation that American interest rates may go down further.

In the recent past, with the U.S. economic recovery in sight, many foreign exchange market participants thought U.S. interest rates might hold firm.

Now, with the U.S. recovery looking sluggish and inflation moderating, a view is growing that the U.S. Federal Reserve Board, the American central bank, might ease its grip on credit further, they said.

With the Bank of Japan allowing short-term interest rates to drop earlier this week, the market is also keeping close eyes on the Japanese central bank's policy in the money market, dealers said.

By taking these factors into account, they see the dollar trading in a range between 136 yen and 139 yen next week. The dollar closed at 138.35 yen Friday in Tokyo.

Businesses Under Fire

OW2707060491 Tokyo KYODO in English 0540 GMT 27 Jul 91

[By Mutsuo Fukushima]

[Text] Tokyo, July 27 KYODO—A series of financial scandals, including revelations of close ties to the underworld, have left many Japanese wondering if the country's rapid business expansion has been at the expense of ethics.

"In prewar Japan, many Japanese businessmen had the inner ethical strength to shake off temptations to profit from legal-but-morally-unjustifiable business deals," said one senior official from Nikko Securities Co., one of the "big four" brokerages enmeshed in scandal.

"Nowadays, there has emerged a dubious way of thinking that, even if your business deals contravene ethics and even laws, you may carry them out, as long as the shadowy deals go unnoticed," he said speaking on condition of anonymity.

Japan's four largest brokerages—Nomura, Nikko, Daiwa, and Yamaichi—enraged small investors by compensating about 200 major corporate clients for stock and bond investment losses worth 128.3 billion yen.

"As we face the need to maintain good business relations with major clients, we had to reimburse their losses as a kind of bribes," the official said.

Perhaps worse in the eyes of some is the news that Nomura, Nikko and other financial institutions had ties to the yakuza—ties that may have led to the manipulation of stock of Tokyu Corp., a major railroad, retail, and development group.

Late last month, National Policy Agency Director General Ryoichi Suzuki asked two major business organizations, the Federation of Economic Organizations (Keidanren) and the Japan Chamber of Commerce and Industry, to instruct their member firms to cut links with yakuza gangs.

During a Diet committee session probing into the securities scandal on July 25, Finance Ministry's Securities Bureau Director General Nobuhiko Matsuno said that Susumu Ishii, former head of the Inagawakai yakuza syndicate, started buying massive amounts of Tokyu shares in April 1989.

The syndicate is Japan's second-largest underground group with 8,300 members, and its operations cover the Kanto District.

Matsuno said Nikko and Nomura arranged loans worth 36.2 billion yen for Ishii, accepting his Tokyu stock as collateral. Two of their subsidiaries also paid 2 billion yen each to buy apparently worthless membership certificates in a golf club owned by Ishii, Matsuno said.

The Finance Ministry confirmed that Nomura and Nikko helped Ishii acquire a total of 26 million Tokyu shares.

Former Nomura Chairman Setsuya Tabuchi has yet to explain how Nomura came to deal with Ishii, only saying it was an "arbitrary decision" by one of the brokerage's board members.

In 1989, Tokyu stock shot up to 3,600 yen a share from 1,600 yen in six months. News reports say Nomura used its nationwide sales network to push clients to buy Tokyu shares shortly after Ishii bought his shares.

During the same Diet committee session, Justice Ministry authorities said prosecutors are investigating charges Nomura and its former President Yoshihisa Tabuchi drove up Tokyu share prices.

Ishii took advantage of his close relationships with the two brokerage giants to raise funds to expand his organization, investigators said.

The scandal not only indicates ethical lapses in the business world, it reveals festering economic problems, says an expert on the underworld economy.

Behind the fact that giant brokerage houses arranged huge loans to the Inagawakai is their willingness to cooperate with anyone if it leads to money making," said Takatsugu Nato, an authority on Japan's underground economy.

"In my calculations, total annual income of all Japanese underworld syndicates stands at some 7 trillion yen, accounting for 1.7 percent of Japan's gross national product (GNP)," said Nato, a professor of economics at Nihon University.

"Financial institutions and yakuza have a relationship of interdependence of benefiting each other amid the bubble economy of the 1980s based on a low discount rate," he said.

Japan's official discount rate hit a historic low of 2.5 percent in February 1987 before gradually rising to the current 5.5 percent.

He said the yakuza, even without any public credibility, could get access to high-profit businesses thanks to close ties with prestigious banks and brokerages.

The lenders profited from high-interest loans to yakuza-affiliated real estate developers via affiliated nonbank financing firms.

Opposition legislator Yoshito Sengoku said the unrestricted lending mired the lenders in a quagmire of bad loans once a tighter credit policy splashed cold water on speculative deals.

"The government is also responsible for a flare-up of this speculative bubble economy, as they provided (economic) stimulus by easing credit policy and lifting regulations on speculative economic activities," he said.

Sengoku heads the Social Democratic Party's investigative team on the brokerage scandal.

Kaifu, Hashimoto Consult

OW2807113491 Tokyo KYODO in English 1126 GMT 28 Jul 91

[Text] Karuizawa, Nagano Pref., July 28 KYODO—Prime Minister Toshiki Kaifu said Sunday it is essential for Japan to prevent a recurrence of widening securities scandals to avoid disrupting world financial markets.

"In this day of globalized financial markets, what happens in one financial market has an immediate impact on markets in other countries," Kaifu said at the close of a two-day seminar for supporters of the ruling Liberal Democratic Party [LDP].

"We must not allow this type of confusion to affect markets at home or abroad again," Kaifu said.

He reiterated his call for securities firms to make public voluntarily the names of clients who received compensation for trading losses in the stock market.

"It may be painful, but it is important for the securities industry to announce the facts and demonstrate its resolve to ensure that this is never repeated," Kaifu said.

The prime minister said the Finance Ministry would have to tighten its supervision of securities firms, in addition to revising the securities law.

Finance Minister Ryutaro Hashimoto said earlier in the day he would announce a decision on the overhaul of its regulatory apparatus by the end of August.

The ministry is also preparing a bill for submission to an extraordinary session of the Diet opening August 5 that would prohibit brokers from compensating clients.

At present, compensation is banned under law only when it is pledged prior to transactions.

Securities firms are also advised not to compensate clients under a Finance Ministry directive, a method of administrative guidance, when trading losses are incurred.

It has not yet been determined whether the four largest securities companies and a half-dozen smaller brokerage houses promised to reimburse clients prior to the transactions.

The 10 securities firms paid over 160 billion yen to some 200 favored clients to compensate for stock and bond trading losses incurred between 1988 and 1990.

Earlier in the day, Toshio Yamaguchi, a senior House of Representatives member and an executive of the LDP faction led by former Finance Minister Michio Watanabe, said Kaifu and Finance Minister Ryutaro Hashimoto should unveil the list of clients who received compensation before the opening of the extraordinary Diet session.

Voicing skepticism the brokerages would be forthcoming, Yamaguchi said Kaifu's "responsibility" for the scandal should be debated before legislation is discussed.

Watanabe is widely believed to have his eye on the prime ministership after Kaifu's two-year term as president of the ruling party ends in October.

Watchdog System Considered

OW2807110691 Tokyo KYODO in English 0959 GMT 28 Jul 91

[Text] Tokyo, July 28 KYODO—A government advisory panel will begin discussions Tuesday over the possible establishment of a watchdog organization like the U.S. Securities Exchange Commission (SEC), government sources said Sunday.

Prime Minister Toshiki Kaifu called on Eiji Suzuki, chairman of the provisional council for the promotion of administrative reform, Friday to launch discussions on the issue in the wake of the widening brokerage scandal.

The panel will continue discussions over the issue in August and compile a report as soon as possible, the sources said.

The Finance Ministry shows reluctance to establish a watchdog organization because such a system would impinge on the regulatory power excercised by the ministry.

Japan's four largest brokerages—Nomura Securities Co., Nikko Securities Co., Daiwa Securities Co., and Yamaichi Securities Co.—paid a total of 128.3 billion yen to over 200 favored clients between 1988 and 1990 to compensate them for stock and bond trading losses.

Nomura and Nikko also extended a huge amount of loans to yakuza mobsters to finance their stock trading.

Nomura Chairman Setsuya Tabuchi and Yoshihisa Tabuchi, vice chairman and former president, resigned July 22 over the scandal, as did Nikko president Takuya Iwasaki on June 24.

Hashimoto on Revealing Names

OW2807051291 Tokyo KYODO in English 0449 GMT 28 Jul 91

[Text] Karuizawa, Nagano Pref., July 28 KYODO—Finance Minister Ryutaro Hashimoto on Sunday said securities firms should reveal the names of clients compensated for stock losses to demonstrate the industry's ability to come clean.

"The moment the Diet (parliament) exercizes its power of investigation to reveal the names of the companies that received compensation, public opinion will judge that the securities industry has completely lost the ability to cleanse itself," Hashimoto said.

"I strongly hope that the securities firms ... will voluntarily reveal the list," Hashimoto told a two-day seminar here for the ruling Liberal Democratic Party faithful.

The Diet is expected to open discussion when it convenes August 5 on the widening scandal in which 10 of Japan's leading brokerages covered over 160 billion yen in stock and bond losses between 1988 and 1990.

Hashimoto warned that the Finance Ministry may turn over the list of recipients to Diet investigators if securities firms ignore his "advice."

In an hourlong speech, the finance minister sounded an alarm that the scandal could cause considerable damage to Japan's economy.

"If the instability of the stock market continues, it will impede the ability to raise funds for investment," Hashimoto said.

"This will cause problems that extend beyond Japan's borders," he said. Earlier in the speech on fiscal policy, Hashimoto noted that much of the world is looking to Japan amid the current shortage of funds.

Noting that the stock brokerage scandal is only one among a series of recent financial misdeeds, Hashimoto said that his ministry will decide by the end of August whether to overhaul its regulatory apparatus.

Among the items under review are the practice of maintaining separate investigative teams under sections covering securities, international finance and banking, as well as the methods used for conducting probes.

Hashimoto did not touch on the debate over whether to establish a separate watchdog organization, an idea that has been favored by some business leaders.

Prime Minister Toshiki Kaifu and LDP Secretary General Keizo Obuchi have voiced support for an independent monitoring organization despite Hashimoto's comments in the Diet last week that such a body would be unsuitable for Japan.

'Big Four' To Publish List

OW2807131591 Tokyo KYODO in English 1307 GMT 28 Jul 91

[Text] Tokyo, July 28 KYODO—Japan's "big four" brokerage houses will decide this week to voluntarily publish a list of corporate clients they compensated for trading losses in the stock market, securities industry sources said Sunday.

The four major securities companies have so far refused to reveal the names of favored companies they paid to cover the clients' trading losses, saying they must remain confidential because of business ethics.

However, the Finance Ministry, which has also declined to disclose the names, has pressed the top four brokerages to voluntarily disclose the names of the compensated companies.

Prime Minister Toshiki Kaifu, Finance Minister Ryutaro Hashimoto, and Liberal Democratic Party Secretary General Keizo Obuchi have also urged them to identify the favored clients.

The securities houses apparently changed their mind because if they continue to refuse to disclose the names, the Diet will force them to publish them anyway, the sources said.

The brokerages have not yet decided the method of disclosure, however, they said.

Disclosure through the securities dealers association of Japan, simultaneous publications by individual brokerages, or an announcement at the Diet are among the ways being discussed, they said.

However, all the names of some 200 favored clients will not be published, they said, including companies not aware of being compensated and regional companies who received small amounts of compensation.

The big four—Nomura, Nikko, Daiwa, and Yamaichi securities companies—compensated more than 200 corporate clients for stock and bond trading losses with a total of some 128.3 billion yen beween 1988 and 1990, according to Finance Ministry sources.

The single largest recipient was paid 4.9 billon yen, a Finance Ministry official told a House of Representatives finance committee meeting.

In addition to the big four, six second-tier firms paid out a total of 35 billion yen in compensation, the official said.

The widening scandal over the top brokerages' payouts to favored clients and financial support to a crime syndicate figure cost the jobs of top industry officials, including Setsuya Tabuchi, chairman of Nomura Securities Co.

Hashimoto Returns for Meeting

OW2907024191 Tokyo KYODO in English 0205 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—Finance Minister Ryutaro Hashimoto on Monday cut short his vacation in Karuizawa, Nagano Pref., to return to Tokyo for an emergency meeting on the latest scandal rocking Japan's financial and business communities.

The emergency meeting of top-ranking Finance Ministry officials will discuss ways to deal with the scandal in the wake of the release by the NIHON KEIZAI SHIMBUN of a list of companies that allegedly received compensation from major brokerages for trading losses.

In its Monday morning edition, the leading economic daily published a list of 187 favored clients whose losses the "Big Four" brokerage houses made good. The list included such big companies as Hitachi Ltd., Matsushita Electric Industrial Co., and Toyota Motor Corp.

Hashimoto said, "We will discuss, among other things, how to reveal the names of compensation recipients."

He had been scheduled to take a vacation in Karuizawa until the end of the month after attending the annual summer seminar of the ruling Liberal Democratic Party (LDP).

The big four—Nomura Securities Co., Daiwa Securities Co., Nikko Securities Co., and Yamaichi Securities Co.—confirmed the Nikkei report that the list includes Hitachi, Nippon Oil Co., Toyota, Nissan Motor Co., Matsushita Electric Industrial, and Tokyo Broadcasting System Inc.

Ministry Stance on Names

OW2907035791 Tokyo KYODO in English 0325 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—There has been no change in the basic stance of the Finance Ministry [MOF] on the issue of revealing the names of corporate and individual recipients of compensation for investment losses from major securities companies in the wake of a newspaper report that disclosed who they were, a top official of the ministry said Monday.

Vice Finance Minister Hiroshi Yasuda told reporters that the ministry's position that the brokerage companies should voluntarily disclose the names of the clients they gave special favors concerning investment losses incurred during the weak stock market in 1990 and earlier remains unchanged.

The NIHON KEIZAI SHIMBUN, in its Monday morning edition, carried a story which included what it claims was an almost complete list of the companies and individuals who received the reimbursements.

Finance Minister Ryutaro Hashimoto broke off a planned vacation in Karuizawa, Nagano Prefecture, where the ruling Liberal Democratic Party was holding its annual summer seminar, and returned to Tokyo on Monday to discuss the issue with ministry and party leaders.

List of Favored Clients Issued

OW2907092491 Tokyo KYODO in English 0842 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—Following is a list of companies compensated by more than 1 billion yen by the "Big Four" brokerages, with industry and amount in millions of yen.

Nomura Securities Co.	
Pension Welfare Service Public Corp.	4,941
Showa Shell Sekiyu K.K. (petroleum)	4,389
Hitachi Ltd. (electric machinery)	2,173
Executive of a listed company	1,900
M.I.F. (finance)	1,405
Nanki Kanko (tourism)	1,251
Nikko Securities Co.	
Japan Mutual Aid Association of Public School Teachers	3,716
Nippon Oil Co. (petroleum)	2,725
Marubeni Corp. (trading)	2,022
Sekisui Chemical Co. (chemical)	1,922
Tomen Corp. (trading)	1,921
Fuyo Auto Lease Co. (leasing)	1,708
Police Personnel Mutual Aid Association	1,446
Nippon Shinyaku Co. (pharmaceutical)	1,243
Intec Inc. (service)	1,131
Mitsubishi Oil Co. (petroleum)	1,004
Daiwa Securities Co.	
Toyota Motor Corp. (automobiles)	2,188
Nissan Motor Co. (automobiles)	1,596
Meitetsu Corp. (finance, information)	1,320
Matsushita Electric Industrial Co. (electronics)	1,277
Crefin Co. (affiliated with C. Itoh and Co.) (finance)	1,078
Yamaichi Securities Co.	
J.C. Pearl (affiliated with Hanwa Co.) (trading)	4,070
Gakken Co. (publishing)	3,993
Yamaichi Finance Co. (finance)	3,612
Matsushita Electric Industrial (electronics)	2,702
Tsumura and Co. (pharmactical)	2,209
Hanwa Co. (trading)	2,077
Toto Ltd. (ceramics)	1,537
Komatsu Finance Co. (finance)	1,410
Yamaguchi Prefectural Association of Agricultural Credit Cooperatives	1,389
Tsumura Tatemono (real estate)	1,292
Shinko Building (real estate)	1,185
Olympus Optical Co. (precision machinery)	1,172

Further on Issued Lists

OW2907061991 Tokyo KYODO in English 0550 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—The Japan Securities Dealers' Association disclosed Monday major brokerages paid a total of 128.3 billion yen to favored clients to compensate them for stock losses.

The association said Nomura Securities Co. reimbursed a total of 27,479 million yen to 48 corporations and one individual while Daiwa Securities Co. paid 22,116 million yen to 57 corporate clients.

Nikko Securities Co. paid 33.1 billion yen to 59 corporations while payments by Yamaichi Securities Co. totaled 45,621 million yen to 64 firms and two individuals.

'Big Four' Confirm List

OW2907034591 Tokyo KYODO in English 0311 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—The "Big Four" brokerage houses confirmed Monday a news report which disclosed the names of companies whose trading losses they allegedly made good, industry sources said.

But some of the reported recipients flatly denied they had received compensation as alleged in the NIHON KEIZAI SHIMBUN report, which listed 187 companies, including such big enterprises as Toyota Motor Corp., Hitachi Ltd., and Matsushita Electric Industrial Co.

"We are taken aback to see our company's name listed, because our in-house probe found no facts such as receiving compensation. We want to further investigate to check whether the report is true or not," said Akio Tanii, president of Matsushita Electric Industrial Co.

Matsushita's surprise was echoed by Sumitomo Corp., which said it has not engaged in "eigyo tokkin" trade since fiscal 1989.

"Eigyo tokkin" funds, popular among Japan's institutional investors in the late 1980s, give securities firms the authority to make investment decisions on behalf of clients. The system is believed to have been used as a means of making the compensation payments.

Asahiko Isobe, managing director of Hitachi, which is reported to have been paid compensation by Nomura Securities Co., also denied the report, saying the company has never demanded compensation from Nomura.

"We offered to cancel the eigyo tokkin contract with Nomura in November 1989, but Nomura asked us not to discontinue it. If securities companies disclosed the list without consultations, it is very annoying," he said.

Officials of precision instruments maker Canon Inc. also said its in-house investigation in mid-July produced no evidence of compensation for securities trading losses.

Hikaru Ikeda, a public relations division official of Sumitomo Life Insurance Co., also on the list, said the company received no compensation "in its true meaning" because life insurance firms are banned from "eigyo tokkin" trade.

Clients Lists Compared

OW2907053791 Tokyo KYODO in English 0448 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—The companies and individuals listed in a newspaper report Monday as having received reimbursements of losses from "Big Four" brokerage houses are mostly the same as those on a list held by the Finance Ministry [MOF], a senior ministry official said the same day.

Vice Finance Minister Hiroshi Yasuda told a hurriedly-called press conference that lots of names mentioned in the newspaper were identical with those he saw on the ministry-held list.

The NIHON KEIZAI SHIMBUN carried a front-page report in its Monday morning edition on the latest stock scandal, including what it said was a full list of the names of companies and individuals who were given special favors by the nation's four largest securities companies.

The "Big Four" securities companies are Nomura Securities Co., Nikko Securities Co., Yamaichi Securities Co., and Daiwa Securities Co.

Yasuda said the ministry has not compared in detail the list given in the newspaper with the names reported to the ministry by the four brokerages, but said many of the names of the companies were identical with those he recollected seeing on the ministry's list.

He said Shogo Watanabe, chairman of the Japan Securities Dealers Association, will disclose the full list at 2:00 P.M. [0500 GMT] Monday, and the four brokerages will hold separate press conferences in which they will explain the "unfamiliar or unclear" names on the list.

Yasuda said a considerable number of companies named may still deny they received any covering of investment losses.

"There must remain a gap between the perceptions of the securities companies and their clients over the issue," he said.

The brokerages appear to have decided that delaying revealing the names any longer would worsen the confusion in the financial market, Yasuda said.

They probably have decided to disclose the list without gaining approval from their clients, he said.

The ministry has not decided yet whether to tell smaller brokerage firms also involved in the scandal to follow suit and go public with their own lists, Yasuda said.

More on List Disclosure

OW2907082391 Tokyo KYODO in English 0649 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—The securities industry umbrella organization Monday disclosed a full list of companies and individuals that received unfair reimbursements for investment losses by the "Big Four" brokerages.

The Japan Securities Dealers Association said the list of the identities of the favored clients was released at the request of the four brokerage houses.

The release of the list, which the securities companies and the government had previously refused to do on grounds of confidentiality, follows the publishing of favored clients' names in Monday's issue of the economic daily NIHON KEIZAI SHIMBUN.

The association list includes 228 companies and three individuals, with the total amount of reimbursements at 128,316 million yen.

Some companies received compensation from more than one brokerage.

The list includes such big names as Matsushita Electric Industrial Co., Toyota Motor Corp., Hitachi Ltd., and Nippon Oil Co.

Matsushita received reimbursements from three of the four brokerages, excluding Nomura Securities Co., totaling 4,238 million yen, according to the list.

The Big Four are Nomura, Nikko Securities Co., Yamaichi Securities Co., and Daiwa Securities Co.

Kaname Seki, senior managing director of the association, said at a packed press conference he was sorry the securities companies broke the investment principle that investors must shoulder the risks, the most important rule in the business.

Seki also said the association will consider concrete steps to prevent recurrence of the scandal, and clarify the definition of loss reimbursements.

Some of the companies listed have denied they received such special treatment by the brokerages due to the vagaries of the practice.

Hashimoto Declines Comment

OW2907090091 Tokyo KYODO in English 0805 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—Finance Minister Ryutaro Hashimoto returned to the summer resort of Karuizawa in Nagano Prefecture Monday after a list of clients which received investment loss-covering payouts from brokerages was made public.

Hashimoto hurried back to Tokyo from Karuizawa earlier in the day for an emergency meeting with aides after the list was published in the major economic daily NIHON KEIZAI SHIMBUN.

The Japan Securities Dealers' Association, the governing body of brokerages, later Monday made public the list, containing the names of corporate and individual clients whose stock losses were compensated by the "Big Four" securities firms.

Hashimoto declined to comment on whether the list held by the Finance Ministry is the same as the one released by the association.

He said payouts by other brokerages may be disclosed after the ongoing investigation by tax authorities is completed.

Smaller Firms Lists Urged

OW2907111391 Tokyo KYODO in English 1029 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—In welcoming the "Big Four" securities firms' release of the list of compensation recipients, a government spokesman said Monday he hoped the six smaller brokerages involved in the scandal would also soon unveil their lists.

Nobuo Ishihara, deputy chief cabinet secretary, said he expects the investigation to continue until the mechanism of delivering compensation is determined.

Ishihara denied there is disagreement between Finance Minister Ryutaro Hashimoto and Prime Minister Toshiki Kaifu over whether to set up an independent monitoring group.

The governmental advisory group on administrative reform is to open a special session Tuesday to discuss the possibility of establishing a watchdog organization.

A top ruling Liberal Democratic Party [LDP] executive, who asked not to be identified, said it was better the securities industry voluntarily released the list than have a heated debate at the Diet on whether or not to disclose the names.

However, opinion was divided in the LDP between those in favor and those against uncovering more details in the brokerage scandal at the coming extra Diet session beginning August 5, party officials said.

Some party officials said the six smaller securities companies have to release their lists of clients they compensated for stock losses.

Former Nomura Official Arrested for Fraud

OW2907031891 Tokyo KYODO in English 0249 GMT 29 Jul 91

[Text] Tokyo, July 29 KYODO—Police arrested Monday a former official of Nomura Securities Co. for allegedly defrauding 20 clients of more than 2 billion yen in a bogus stock deal.

Police identified the suspect as Noboru Hanyuda, 44, former chief investment consultant at Nomura's branch office near Jr Shinjuku Station, Tokyo.

Hanyuda is suspected of having framed up a deal on the sale of an unlisted stock to the clients and defrauded them of the money, police said.

Nomura is one of the country's four largest brokerage houses, along with Nikko, Daiwa, and Yamaichi Securities Companies, which are under fire for compensating favored corporate clients for over 128 billion yen in stock and bond trading losses between 1988 and 1990.

Long-Term Credit Banks Cut Prime Lending Rate

OW2607154591 Tokyo KYODO in English 1351 GMT 26 Jul 91

[Text] Tokyo, July 26 (KYODO)—Japan's three long-term credit banks cut their prime lending rate Friday by 0.2 percentage point to an annual 7.7 percent for August, the first lowering in five months.

The reduction came in line with a 0.2 point decline in the coupon rate on the five-year bank debenture, which provides a basis for the long-term prime rate, charged on loans to most creditworthy customers.

The coupon rate was lowered to 6.8 percent per annum in view of falls in prevailing rates on the debenture.

Following the half a percentage point cut in the official discount rate, the short-term prime rate, charged by commercial banks, has already been lowered by 0.25 point to 7.625 percent per annum.

Mongolia

U.S. Secretary of State Baker Arrives 25 Jul

OW2607082391 Ulaanbaatar Radio Ulaanbaatar in English 1445 GMT 25 Jul 91

[Text] U.S. Secretary of State James Baker arrived in Mongolia today, on July the 25th, for a three-day visit at the invitation of the Mongolian Government. During his visit, Mr. Baker will have talks with President Ochirbat, Prime Minister Byamabsuren, Foreign Minister Gombosuren, [words indistinct] of the Great People's Hural [words indistinct], members of the State Small Hural [words indistinct], as well as leaders of political parties and unions.

Mr. Baker will also visit the southern Mongolian province, (?Omnogobi).

Commentary on Baker Visit

OW2807073291 Ulaanbaatar Radio Ulaanbaatar in English 0910 GMT 27 Jul 91

[Station commentary]

[Text] U.S. Secretary of State James Baker, who arrived in Mongolia on 25 July, is paying his second visit to this country. In this connection, we present a commentary on the development of Mongol-U.S. relations:

Since the diplomatic relations between Mongolia and the USA were established on 27 January 1987, bilateral relations and cooperation have been constantly extending. (?Over) the past period, bilateral relations in the political scene have been developed more intensively. Various cooperation agreements in the spheres of trade, science, technology, culture, and education have been [word indistinct] signed between the governments of the two countries, and they are now successfully implemented.

The first visit of U.S. Secretary of State James Baker to Mongolia in August 1990 has become the first striking evidence that the USA [?is going] to support the democratic changes in Mongolia.

Mongolian President Ochirbat's official visit to the USA in January this year, and his talks with U.S. President George Bush, have elevated the two countries' relations to the highest level, and the fact that the two presidents determined the (?scope) and principles of further bilateral relations, has opened a new page in the relations between Mongolia and the USA.

Alongside this, Mongolian Prime Minister Byambasuren's recent visit to the USA has also got important results. The fact that Mongolia has been granted the status of the most favored nation is of great importance in developing bilateral trade and economic cooperation. Ministries, firms, and enterprises of the two countries are establishing direct ties and have started implementing joint agreements and projects. For example, Mongolian oil firm, together with the U.S. Exploration Associates International, are carrying out joint investigations of oil on the territory of Mongolia.

The Mongolian camel wool firm and the U.S. (?Amoco) Industries have signed an agreement to establish an industry of processing camel and yak wool, introducing woollen goods. Mongolian Ministry of Agriculture [words indistinct] are now working on establishing a joint [word indistinct] farm and introducing the technology of transplanting the [words indistinct].

Mongolia is now experiencing a very difficult period in transition to the market relations. In such circumstances, the USA is rendering invaluable economic assistance. For example, in 1990, the U.S. has rendered 1.1 million dollar assistance. In 1991, Mongolia has received 10.6 million dollar assistance, from which 8 million is intended for supplying crops and the rest for technical assistance, training of personnel, organizing consultations on the problems of transition to the market relations, and other measures. Besides, within the framework of humanitarian aid, the USA has started delivering medical apparatus, medicaments, etc.

The first steps in the cultural, educational, scientific, and technological cooperation between Mongolia and the USA are very [words indistinct]. For instance, quite recently, the Mongolian Academy of Sciences and the U.S. National Academy have signed a cooperation agreement. A group of 25 teachers of English and other specialists have arrived in Mongolia within the framework of the U.S. Peace Corps [word indistinct].

The Mongolian people are confident that U.S. Secretary of State James Baker's visit to Mongolia will contribute to further intensive, friendly relations between Mongolia and the United States of America, and strengthening of mutual understanding and cooperation between the peoples of these two countries.

North Korea

South Requested To Allow Students To Visit

SK2707073191 Pyongyang KCNA in English 0403 GMT 27 Jul 91

[Text] Pyongyang July 27 (KCNA)—We request the South Korean authorities to take necessary measures for our consolatory team of school youth and children to go to the area of the south side through Panmunjom at 10:00 on July 31 to console student Yim Su-kyong, Rev. Mun Ik-hwan and other pro-reunification patriots.

Choe Hyon-tok, chairman of the Korean Students Committee, said this in a telephone message sent today to Choe Ho-chung, "minister of Unification Board", and Kim Ki-chun, "minister of justice" of South Korea.

The south side blocked the South Korean trip of the consolatory team of school youth and children on July 25 under the mere pretext that student Yim Su-kyong and Rev. Mun Ik-hwan are "criminals" who violated the "law in force", the message noted. It expressed deep regret at this, saying that this is a downright anti-humanitarian and anti-reunification act.

It is most deplorable that there still exist the anti-reunification "law" in South Korea and the anti-reunification forces which persecute reunification champions by branding them as "violators of law" at a time when all the fellow countrymen unanimously call for pulling down the barrier between the north and the south and realizing free travel and complete opening for reunification in the '90s.

It is the assertion of your side and the reality of South Korea that the authorities are not regarded as "violators" of the "law in force" or "criminals" even if they visit the north and have dialogue with us, while ordinary people are charged with the violation of the "law in force" and branded as "criminals" if they visit the north and discuss reunification with us, and no one is allowed to visit them. This vividly reveals South Korea as a land of darkness where there is no fairness of law and the elementary ethics are denied.

Expressing indignation at the acts of the south side in turning South Korea into a land of darkness and categorically blocking the road of travel, the message said: If the south side has the real intention to have "a grand reunification march" on August 15 in which thousands of people will participate, there will be no reason for them to refuse to receive our 20-member consolatory group of school youth and children.

Reunification Festival Talks in Berlin Reported

*SK2907070991 Pyongyang KCNA in English
0555 GMT 29 Jul 91*

[Text] Pyongyang July 29 (KCNA)—The first working-level talks for a success of the "grand reunification festival of students in the North, the South and overseas for an agreement on reunification proposals, peace in the country and great national unity" took place in Berlin on July 24 on the initiative of the South Korean National Council of Student Representatives (Chondaehyop).

Present at the talks were delegates of the Korean Student Committee, Chondaehyop and Korean students overseas.

An agreement on the "grand reunification festival of students in the North, the South and overseas for an agreement on reunification proposals, peace in the country and great national unity," a joint statement of students in the North, the South and overseas on the independent and peaceful reunification of the country and an appeal to all the students of the world were adopted at the talks.

It was agreed at the talks to name the function "Grand Reunification Festival of Students in the North, the South and Overseas for an Agreement on Reunification Proposals, Peace in the Country and Great National Unity" (grand reunification festival of students for shot [as received]) and hold the festival functions from August 14 to 16 and indentify its venue with that of the "'91 Seoul Pan-National Rally".

And full-dress talks will be held as a festival function, with the following agenda:

1. Publication of stand on reunification proposals and tasks for a nationwide agreement.
2. Immediate tasks for easing the political and military tensions on the Korean peninsula.
3. The question of independent exchange between students in the North, the South and overseas.
4. Task for building a solidarity organization of students in the North, the South and overseas.

The talks shall be held in the form of a roundtable, and the scale of attendance shall not be restricted.

And "Yim Su-kyong cup" sports games shall be held in football and tug-of-war events, in which students of the North, the South and overseas, mixed together shall be divided into "independent reunification" and "peaceful reunification" teams. A get-together of students from the North, the South and overseas for singing songs of reunification shall be held on August 14 as a cultural and art function and a joint performance be given on August 15.

The delegations to the Grand Reunification Festival of Students shall consist of 150 delegates and 350 visitors each from the North, the South and overseas and, besides, all the students who aspire after peace and reunification of the country are allowed to participate in it.

A grand cross-country march for peace and reunification of the country shall be held as a function related to it in the North and the South simultaneously over August 5-12, students of the South and the North holding starting ceremonies simultaneously from Mt. Halla and Mt. Paektu and holding a function for the conclusion of the march in Seoul on August 13. Here students from overseas shall be divided into two groups, one group starting the march from Mt. Halla and the other from Mt. Paektu. During the festival period students of the North, the South and overseas participating in the festival shall visit the alma mater schools of Kim Su-kyong and Im Chong-sok for a meeting with students and console Kim Su-kyong, Im Chong-sok, Kim Chong-sik and other patriotic students and pro-reunification patriotic figures who are suffering in prison.

Joint Statement Adopted 24 Jul

*SK2907064391 Pyongyang KCNA in English
0525 GMT 29 Jul 91*

[Text] Pyongyang July 29 (KCNA)—A "joint statement of Korean students in the North and the South and overseas on the independent and peaceful reunification of the country" was adopted at the tripartite working-level talks for a success of the grand reunification festival of students in the North, the South and overseas which were held in Berlin on July 24.

Solemnly declaring once again to the world the will of the students in the North, the South and overseas to reunify the country and save the nation, their will to make 1995 the first year of reunification on all accounts, the statement says:

1. Reaffirming that the three principles of independence, peace and great national unity are the inexorable grand principles of national reunification, we will fight to the last to realise them.

2. We will more vigorously struggle to get the U.S. troops and nuclear weapons withdrawn from South Korea in order to turn the Korean peninsula into a peace, nuclear-free zone.

3. Considering it the most reasonable and realistic way to achieve the reunification of the country on the principle of neither side of the North and the South conquering the other or being conquered by the other, we will vigorously struggle to this end.

4. We will actively struggle to promote national unity and realize independent contacts and exchange between students in the North, the South and overseas.

5. We will render full support to the students and people of broad strata in the South who are fighting unyieldingly and staunchly for the democratization of society and the independent and peaceful reunification of the country.

6. We will wage a daring struggle for the abolition of all the legal, institutional and physical mechanisms that stand in the way of national unity and reunification and for the release of our beloved fellow students and patriotic democrats who have been arrested for involvement in the reunification movement.

7. We will explore and take practical measures to strengthen close relations between student organizations of the North, the South and overseas and thereby take joint steps in the reunification movement.

8. We will fight it out to realize the second Pan-National Rally [PNR] and "August 15 grand reunification festival of students in the North, the South and overseas" which will open an epochal phase in achieving national unity and reunification.

We strongly demand that if the South Korean authorities truly seek justice and truth and aspire after national reunification, they should make all efforts so that the second PNR and grand reunification festival of students which will constitute a grand concord of the whole nation may be held safely in Seoul.

South's Linking of Chondaehyop to North Viewed

SK2807083391 Pyongyang KCNA in English 0808 GMT 28 Jul 91

[Text] Pyongyang July 28 (KCNA)—The No Tae-u ruling group published "results of investigation" into the "whole aspect of the National Council of Student Representatives (Chondaehyop)" on July 26 in the name of the "Security Planning Board" which has earned notoriety for its fascist repression and murder, a radio report from Seoul said.

They alleged that Chondaehyop is an "organisation benefiting the enemy" which wholly accepts the "arguments of the North" and which is "manipulated" by the South Korean National Democratic Front (Hanminjon) and the followers of the chuche idea, is "financially supported" by the General Association of Korean Residents in Japan (Chongnyon) and the overseas headquarters of the Pan-Korean Alliance for National Reunification (Pomminnyon) and is engaged in "overthrowing the system" not in pro-democracy struggle.

Publishing the "results of investigation", the "Security Planning Board" announced that it would refer to the prosecution 13 persons including Kim Chong-sik, chairman of Chondaehyop, who have already been arrested on charges of "forming an organisation benefiting the enemy" and would "search nationwide" for 81 leading members of Chondaehyop including the acting chairman.

This shows that the No Tae-u ruling group launched a new vicious reactionary offensive to totally destroy and stifle Chondaehyop.

It also tells that the South Korean authorities that regard Chondaehyop, the organisation of one million students who play the vanguard role in the reunification movement of the South Korean people, as a thorn in their flesh are connecting the just struggle of Chondaehyop with somebody else and recklessly wielding the bayonet in an attempt to make abortive the second pan-national rally and the grand reunification festival of students in the North, the South and overseas.

The fact also shows that the "proposal to the North" recently put forward by the No Tae-u ruling group is a deception and this group is the enemy of reunification with whom the 70 million Koreans can never live under the same sky.

The "results of investigation" full of plots published by the "Security Planning Board" can convince no one.

South's 'Suppression' To Affect N-S Talks

SK2807091391 Pyongyang KCNA in English 0835 GMT 28 Jul 91

[Text] Pyongyang July 28 (KCNA)—NODONG SINMUN today denounces the harshest ever fascist suppression of the patriotic, pro-reunification democratic forces by the No Tae-u ruling group.

Noting that the No's ruling group has launched a wholesale suppressive offensive against democratic organisations and their members calling for independence, democracy and reunification and is blocking the '91 pan-national rally and the grand reunification festival of students in particular, arresting hard-core elements of their sponsor organisations, the news analyst says:

This is motivated by a criminal aim to stifle the ever growing patriotic movement for reunification and seek a long-term office and a permanent division without a hitch.

The South Korean authorities talk quite often about "dialogue" and "unification". With whom they intend to have dialogue and how they are going to reunify the country while outlawing the grand reunification festival prepared by Pomminnyon [Pan-National Federation for Reunification], a nationwide organisation of reunification movement, and, worse still, cracking down on the pro-reunification democratic organisations and patriots of South Korea by connecting them with us, and inciting national antagonism and confrontation? Facts clearly prove that the "dialogue", "unification" and "grand unification march" cried for by the No Tae-u group are a deception and it is a pack of despicable nation splittists who seek only division and confrontation.

If the South Korean rulers want to find a way out, though belatedly, they should immediately release the Rev. Mun Ik-hwan, coed Yim Su-kyong and other visitors to the North, patriotic figures who were arrested for the reason that they discussed with us the reunification question and "political prisoners", stop suppressing the democratic organisations and their members calling for independence, democracy and reunification, abolish the

"National Security Law", the anti-reunification fascist law, and end the fascist "security-oriented rule". And if they really want reunification, they should not try to bar the '91 pan-national rally and the grand reunification festival of students but ensure all conditions and cooperate in a successful holding of these national reunification festivities.

If the South Korean authorities continue to challenge democracy and reunification and lay obstacles in the way of the proposed August 15 grand pan-national reunification festival watched by the entire fellow countrymen with great expectations, not releasing the visitors to the North, this will have a serious effect on dialogues including the North-South high-level talks.

North-South Contact Noted; Next Meeting 5 Aug

SK2907084191 Pyongyang Korean Central Broadcasting Network in Korean 0800 GMT 29 Jul 91

[Text] North-South contacts of responsible liaison officials took place in Panmunjom at 1000 today to prepare for the North-South high-level talks. It was decided at the contact to hold a working- level contact to prepare for the fourth round of North-South high- level talks at the South side of Panmunjom at 1000 on 5 August. It was also decided at the contact that two delegates and three suite members from each side will participate in the working-level contact.

International Support Cited for Reunification

SK2807110091 Pyongyang KCNA in English 0852 GMT 28 Jul 91

[Text] Pyongyang July 28 (KCNA)—The "international solidarity march for supporting Korea's reunification" clearly shows that it has become an irresistable trend to suport the Korean people's cause of national reunification.

NODONG SINMUN today says this in an article headlined "Daily Expanding and Developing International Movement for Solidarity With Korean People".

In response to an appeal of an emergency meeting of the leading body members of the International Liaison Committee for the Reunification and Peace of Korea (CILRECO) held in Paris in February, the "international solidarity march for supporting Korea's reunification" has been waged in various forms worldwide, the author of the article notes, and says:

Through this movement the international public opinion on the strained situation of the Korean peninsula which is fraught with a growing danger of nuclear war is becoming more vocal and ever louder voices demanding peace and reunification of Korea are ringing out from all parts of the world.

The international solidarity march is aimed at leading the world people to pay deep attention to the Korean problem and thus creating a favourable international atmosphere for the accomplishment of the Korean people's cause of national reunification.

The on-going movement has characteristics distinguishing it from the international solidarity movement in the past.

First of all, it is an international movement which is spreading rapidly faster than ever before. Suffice it to recall that starting ceremonies were held in 70 odd countries since the first ceremony.

Next, the scale of the movement is very large.

In a number of countries many political parties and organizations jointly hold starting ceremonies on a massive scale.

The international solidarity march is being staged in an organized way worldwide in accordance with the initiative, plan and command of the CILRECO.

The current movement is also characteristic of its diverse forms and methods and peculiarities.

In each country the movement involves the starting ceremony, a signature campaign, demonstrations, forums and adoption of documents, etc., to support Korea's reunification.

The international solidarity march plays a big role in strengthening international exchange supporting our cause of national reunification.

The people of broad strata in the world through the movement have got better understanding of the correctness of the proposal to found a democratic confederal republic of Koryo advanced by the great leader Comrade Kim Il-song. They are unanimous in demanding that Korea be reunified through a confederacy based on one nation, one state, two systems and two governments.

They also strongly denounced the moves of the separatist within and without and urged the United States to withdraw its aggression forces and nuclear weapons from South Korea and stop its war moves.

In conclusion the article stresses that the Korean people will achieve the independent and peaceful reunification of the country with full support and encouragement of the world people.

Daily Discusses Reunification Proposals

SK2907110691 Pyongyang KCNA in English 1022 GMT 29 Jul 91

["To Define Nation's Common Way of Reunifying the Country Is Practical Task, Says NODONG SINMUN"—KCNA headline]

[Text] Pyongyang July 29 (KCNA)—Defining the way of national reunification is an urgent task in accelerating it at the present time because reunification is a practical task, not a matter of a distant future, stresses NODONG SINMUN in a signed article today.

It says:

To define the way of national reunification is an urgent problem at present because the North and the South are required to keep pace with each other in advancing toward the common aim.

If the wisdom and strength of the nation are to be put together in accomplishing the cause of national reunification, the nation's common way of it must be defined.

We put forward the proposal for founding the democratic confederal republic of Koryo (DCRK) as far back as in 1980. The proposal for founding the DCRK forms the main trend of the debate on reunification.

Reunification proposals brought forward by political parties, public organisations and individuals of South Korea can be largely divided into the proposal for unification through a confederacy and the authorities' "proposal for unification of systems". If different members of the nation insist on different ways of reunification, reunification cannot be achieved anytime.

The way of national reunification can be confirmed through agreement between the North and the South, not by any party's argument and demand. If the way of reunifying the country is to be defined, a realistic and fair way of reunification acceptable to both sides must be sought.

If a nationwide agreement is to be reached on the package of important questions arising in achieving reunification under the condition where various proposals on the way of national reunification have been raised as now, a great principle of the way of national reunification, its guideline, must be laid down.

The great principle of the way of national reunification advanced by the great leader President Kim Il-song is a most fair and aboveboard great principle of reunification common to the nation which conforms with the essence and nature of the reunification question and to which the three principles of national reunification are strictly applied; it makes a precious guideline and foundation of a nationwide agreement on the way of national reunification.

It also expounds the form of negotiation for a nationwide agreement on the way of national reunification directly linked with interests of all parties, all groupings and all strata of people in the North, the South and overseas.

The basic objects of the historical August 15 pan-national rally last year, the Seoul pan-national rally and the grand reunification festival of students expected this year and contacts and dialogues prepared or to be prepared by broad pro-reunification patriotic forces in the North, the South and overseas lie, in essence, in sitting down together and discussing the way of reunification.

Facts tell that the nationwide agreement on the way of national reunification can surely be reached.

Whether one accepts the DPRK's proposal for convening a political consultative conference for national reunification to reach a nationwide agreement on the way of national reunification, or not at the present juncture is a touchstone distinguishing between reunification and division, patriotism and treachery.

If the South Korean authorities truly want reunification, they should respond to the DPRK's proposal for convening the political consultative conference for national reunification as soon as possible.

U.S.-South Wartime Host Nation Accord Viewed

SK2707063791 Pyongyang KCNA in English 0448 GMT 27 Jul 91

["Grave Criminal Agreement"—KCNA headline]

[Text] Pyongyang July 27 (KCNA)—The U.S. imperialists and the South Korean authorities initialled the "wartime host nation support agreement," a new criminal war agreement, says NODONG SINMUN today.

According to the agreement, in wartime as well as time of peace the United States shall freely use roads for a military purpose, its warships enter and anchor at habours at any time, use public buildings at any moment and take the headwaters for its Army use in South Korea.

The agreement allows the U.S. imperialists to dominate and control South Korea still further in military affairs and make it serve their war strategy more faithfully and aims at making the provocation of another war in Korea a fait accompli and mobilizing all of South Korea in case of "emergency", the news analyst says, and goes on:

In fact, such agreement is to be seen only on the eve of a war. This shows that the U.S. imperialists' moves to unleash a new war against the North on the Korean peninsula have entered into an extremely grave phase. The agreement is a war agreement and a treacherous agreement between the master and his servants and between the aggressors and their underlings.

No one can vouch that the U.S. imperialists, dreaming of aggression against the North, will not make an "expedition" against the DPRK, leading the forces of South Korea and their satellites under the preposterous pretext of the North's "development of nuclear weapons" and under the cloak of "peace" and "security."

The "wartime host nation support agreement" is needed to cope with such circumstances in readiness.

The signing of the "agreement" will only result in coiling up the tensions on the Korean peninsula and increasing the danger of war.

South Citizens Reportedly Praise Kim Il-song

SK2807082591 Pyongyang KCNA in English 0800 GMT 28 Jul 91

[Text] Pyongyang July 28 (KCNA)—The South Korean people are highly praising and looking up to the great leader President Kim Il-song who led the Fatherland Liberation War (June 25, 1950-July 27, 1953) to victory as an ever-victorious iron-willed brilliant commander.

An inhabitant surnamed Kim in Pusan said that the United States forces that had been boasting of being ever-victorious in the history of aggressive wars gave into the great military strategy and wondrous tactics of General Kim Il-song.

General Kim Il-song defeated the U.S. forces by the tactics of shortening distance by which he had defeated the Japanese imperialists, he noted, and added:

No great man in the world matches the general, a legendary famous general and great military strategist in terms of outstanding strategy and tactics.

A middle school teacher Choe in Iri, North Cholla Province, had this to say:

The Yankee troops that had been boasting of the "strongest" in the world fell on their knees before the outstanding military strategy and tactics of General Kim Il-song. He is an ever-victorious iron-willed brilliant commander peerless in history.

A young man Yi in Kwangju told the young people of his village that the Yankees are making desperate efforts to unleash another war against the North but the war against the North will lead them to defeat and death.

In the North all the people are firmly united around General Kim Il-song and the economy and military power are so strong that the Yankees would suffer a disasterous defeat if they provoked them, he added.

Rally Marks End of Korean War Anniversary

SK2807095191 Pyongyang KCNA in English 0822 GMT 28 Jul 91

[Text] Pyongyang July 28 (KCNA)—Working people of the country significantly celebrated the 38th anniversary of the victory in the Fatherland Liberation War.

Celebration meetings were held Saturday by working people in the provinces, cities, counties and at major industrial establishments all over the country.

Participating in the meetings were leading officials of local party and government bodies, administrative and economic organs, and working people's organisations and of major factories and enterprises, and commanding officers of the units of the Korean People's Army [KPA] stationed in the local areas as well as heroes of the Republic, model soldiers of the KPA, disabled soldiers, bereaved families of fallen fighters and those murdered by the enemy, People's Army dependents and working people.

Attending the celebration meeting held at Kim Il-song Square in Pyongyang were Kang Hui-won, alternate member of the Politburo, the C.C. [Central Committee], the WPK [Workers Party of Korean] and vice-premier of the Administration Council, Kim Ung-nin, secretary, the C.C., the WPK, Chang Chol, vice-premier of the Administrative Council, and 10,000 working people in the city.

Addressing the meeting, Choe Mun-son, chief secretary of the Pyongyang Municipal Committee of the WPK and chairman of the Pyongyang Municipal People's Committee, noted that the Fatherland Liberation War was a heroic struggle which brilliantly decorated the national history of the Korean people and the history of the struggle for human liberation and a great revolutionary war which not only defended the freedom and independence of the fatherland with credit but also safeguarded peace in Asia and the rest of the world and opened an epoch of a new upsurge of the anti-imperilaist, anti-U.S. struggle in the world by giving the first defeat to the U.S. imperialists who had boasted of being the "strongest" in the world.

The historical victory won by our people on July 27, 1953 was a brilliant fruition of the chuche-oriented military ideas and theory and military art of the respected leader Comrade Kim Il-song and a proud demonstration of the invincible strength of the Korean people and their Army firmly rallied behind the party and the leader, he stressed, and continued:

Long 38 years have passed since the festive salvo boomed over the square of the victory of war, but a lasting peace is not yet guaranteed on the Korean peninsula and the danger of a nuclear war is increasing day by day.

The U.S. imperialists, having turned South Korea into the largest nuclear forward base in the Far East, are staging every year the massive "Team Spirit" joint military exercises aimed at an attack on the northern half of Korea, escalating the political and military confrontation between the North and South by zealously instigating the South Korean puppets to anti-communist fascism and pursuing "security-oriented politics" and murderous politics in South Korea.

Pointing out that the U.S. imperialists are madly staging an anti-DPRK campaign, drawing its followers and puppets into it, with a demand for "nuclear inspection" of our Republic, a non-nuclear state, he scathingly denounced the U.S. imperialists and the No Tae-u group for persistently clinging to war and confrontation.

If the U.S. imperialists continue along the road of nuclear war, challenging the desire of the Korean and world peaceloving people, they will suffer a more miserable defeat than in the past Korean war and will get only corpses and death, he warned, adding: They must know this clearly. The commemorative speech was followed by singing, poem recital and oratory celebrating the victory in the war.

Then followed a dancing party.

NODONG SINMUN on Socialist Democracy

SK2907060791 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 22 Jul 91

[NODONG SINMUN 22 July Special Article: "Our Style of Socialist Democracy Is Genuine Democracy for the People"]

[Text] Only socialist democracy is genuine democracy. Today, the imperialists are advertising bourgeois democracy, clamoring about freedom and human rights. However, it is nothing but a deception and lie. Genuine democracy for the popular masses exists only in the socialist society.

In his document, "Our Popular Masses-Centered Style of Socialism Is Ever-Victorious and Invincible," the dear leader Comrade Kim Chong-il has extensively evolved the inherent nature and superiority of socialist democracy and, thus, provided a mighty ideological and theoretical weapon that makes it possible to thoroughly smash bourgeois democracy and to resolutely safeguard and defend socialist democracy.

Today, our people are overflowing with boundless pride and dignity in leading an independent and creative life in the socialist system of chuche, under which our style of socialist democracy is enforced. They are filled with firm determination to thoroughly defend and consummate the socialist cause of chuche under any difficult circumstances.

1. Our Popular Masses-Centered Style of Socialist Democracy Is in Force in Our Country Today.

Our socialism practically guarantees genuine political rights and freedom for the people. Herein lies the important superiority of our socialism.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers Party of Korea, has indicated: Our socialist society is a genuine democratic society which practically guarantees genuine political rights and freedom for the people.

Democracy, in a nutshell, is politics that reflects and embodies the will of the masses of working people. That the state establish policies according to the will of the broad segments of the masses of working people, implement policies in conformity with the interests of the popular masses, and practically guarantee genuine freedom, rights, and happy life for the popular masses is precisely democracy. The masses of working people are the main force of history and the motive power of social development. The masses of working people not only play decisive roles in social development, but also occupy the absolute majority. Therefore, the politics in which the will of the popular masses is turned into the state's policies and in which everything serves the working masses is precisely genuine democracy.

Politics that run counter to the interests of the masses of working people cannot become democratic politics under any circumstances. Genuine democracy is only one. In other words, genuine democracy is only socialist democracy which is democracy for the masses of working people. Genuine democracy cannot exist in a capitalist society in which all policies of the state are decided by the will of the exploiting class and are implemented according to its interests. The so-called democracy in capitalist society, that is, bourgeois democracy, is democracy for a handful of privileged classes. Therefore, it is, in fact, not democracy.

The imperialists clamor noisily about equality of people, freedom, and the like. However, it is an out-and-out lie. In capitalist society in which all power and means of production are monopolized by a handful of capitalists and in which money decides everything, how can there be equality between billionaires and the poor working masses? How can we expect that the working people who are being oppressed and exploited can enjoy freedom and human rights? The democracy about which the imperialists clamor is a bogus democracy. The freedom and equality that they talk about are nothing but a trick designed to deceive the popular masses and to cover up the reactionary and antipopular nature of bourgeois dictatorship.

Genuine democracy can be realized and enforced only in the socialist society in which the masses of working people have become the genuine masters of the state and society. By nature, socialism and democracy cannot be separated. Socialism is the social system that mankind aspires and desires to attain. It is the social system that the working masses have turned into a reality through their bloody struggle. Democracy cannot be contemplated apart from the politics for the popular masses. Likewise, socialism cannot be contemplated apart from the embodiment of the popular masses' aspirations and demands. Socialism is precisely the genuine democratic society.

The socialist democracy enforced in our country today is the most superior democracy which provides all the working people with equal rights and freedoms as equal members of society and makes it possible for them to lead an independent and creative life to their hearts' content, helping and leading each other. In our country which adopts democracy as the basic form of state activity, the working people actively take part in state management and fully exercise the rights of all social and political activities.

In our country, policies are established according to the will of the popular masses and are implemented in conformity with their interests. All people, ranging from party members to members of the Korean Children's Union, are leading a political and organizational life, joining various political organizations. Through this course, they are not only glorifying their social and political life, but are leading a most valuable and rewarding life.

Our style of socialist democracy is based on collectivism and, therefore, thoroughly provides all the people with a genuine life which accords with the inherent demands of social human beings. Democracy was born, struggling against the tyranny of a handful of privileged classes. Democracy reflects the inherent demands of human beings. Therefore, democracy was born through the struggle of the popular masses and has been constantly developed also through the struggle of the popular masses.

The basic criterion which classifies genuine democracy and bogus democracy lies precisely in whether the popular masses' independent demands are realized. Bourgeois democracy cannot become genuine democracy, however the capitalist class may advertise it. Bourgeois democracy identifies individual's freedom and equality as its supreme ideal, because it is based on individualism. In the exploiting society in which the society is split into hostile classes, there exists no complete equality among people. Bourgeois democracy cannot guarantee a genuine life which accords with the inherent demands of human beings. Living freely is precisely the inherent demand of human beings. However, the problem is what type of life people can lead freely. The animal-like life is the animal-like life to all intents and purposes and not the life of human beings, however it may be crusted by [word indistinct].

Our style of socialist democracy, because it is based on collectivism, leads all people to deem it the supreme ideal of their life to live social and political lives and as masters of the world and their own destiny. Socialist democracy and bourgeois democracy have essential differences not only in their class nature, but in the purposes and ideals they seek. In bourgeois democracy which is based on individualism, protecting individual life, individual interests, is the supreme goal. Therefore, relationships among people always presuppose discord and mutual checking, not genuine freedom and equality. Individualism inevitably produces social inequality—the rich get richer and the poor get poorer—and brings about confrontation among people.

The law of the jungle governs people in capitalist society today. All sorts of social evils, including immorality, corruption, burglary, and murder, are rampant. Consequently, people are trembling with uneasiness and terror. Such a phenomenon occurs because bourgeois democracy is enforced. However, in a socialist democratic society established on the basis of collectivism, defending the social and political life of social organizations and the common interests of society is the supreme goal. Therefore, freedom and equality among people smoothly are achieved on the basis of comradely love and mutual cooperation.

In our country today, all the people have formed one social and political organism on the basis of the sense of revolutionary obligation and comradely love with the party and the leader as the center, and the whole society is overflowing with the communist virtue of helping and leading each other under the slogan, "One for all, all for one." Such a reality stems from socialist democracy. The basic nature of socialist democracy lies precisely in the superiority of collectivism over individualism and the absolute superiority of the immortal social and political life of social organizations over the physical life of the individual.

Our socialist democracy strictly assumes the working-class nature. The mouthpieces of imperialism advertise pure democracy, that is, democracy without dictatorship, while viciously slandering socialist democracy. History has never witnessed a democracy without dictatorship. As long as the class struggle continues to exist, democracy is to assume the class nature and is related to dictatorship. Communists do not conceal their party spirit. They also do not conceal their class spirit.

Socialist democracy is not a super-class [chokyekupjok] democracy which even provides freedom and rights to elements hostile to socialism and class enemies who infringe upon the interests of the people. Socialist democracy gives democracy to the popular masses and exercises dictatorship over the class enemies who infringe on it.

The imperialists and reactionaries are slandering socialist democracy, referring to the dictatorship which is being exercised on the class enemies in the socialist society. This is aimed at opening the road to their criminal maneuvers against socialism. Today, at a time when the imperialists and their stooges are perpetrating maneuvers for destruction and sabotage against socialist democracy, it is too natural to struggle against the phenomenon infringing upon the popular masses' independence.

Bourgeois democracy that the imperialists and reactionaries are advertising enforces democracy for a handful of the exploiting class, but exercises brutal dictatorship over the popular masses, including the working class. Genuine freedom and rights of the popular masses cannot be expected in bourgeois democracy which brutally suppresses the struggle of the masses of working people for democratic freedom and rights of survival. The imperialists and reactionaries are advertising the bourgeois parliamentary system and the bourgeois multiparty system as democracy. However, they are no more than tools for bourgeois dictatorship.

It is precisely monopoly capitalists who, as the actual wire pullers, handle and control politics behind the scene of the bourgeois parliamentary system and the bourgeois multiparty system. When they find even the formal parliamentary system or the multiparty system to be an obstacle to their reactionary rule the imperialists and reactionaries throw it away overnight and resort to overt fascist rule. This has been clearly proven by historical facts.

The people-oriented character of socialist democracy and the antipopular character of bourgeois democracy find clear expression in the matter of human rights. Human rights are the rights that men should have as the masters of society. The popular masses should become the masters of government who pioneer their own destiny, firmly grasping it in their hands, the masters of material assets, and the masters of social and cultural assets. In our society which regards men as most precious beings, human rights are firmly guaranteed by law, and even the slightest practice infringing upon them is never tolerated.

In our country, the popular masses are identified as the genuine masters of society, and all things in the society serve the people. Our working people are guaranteed by the state the rights of labor and rest, and everyone chooses an occupation according to his hope and ability and is working to his heart's content at his secured job. Our people are provided with all conditions necessary for food, clothing, and shelter free of charge or dirt-cheap. They are provided with the benefits of free medical treatment and free education. The taxation system has been completely abolished; people don't even know the word "tax."

In fact, there is no country in the world like ours, in which all rights that men should enjoy—ranging from the right to work to rights for food, clothing, shelter, and medical treatment, and the right to learn—have been thoroughly guaranteed.

The imperialists and reactionaries, posing as the protector of rights, are now slandering socialism. But those who infringe upon human rights are precisely the imperialists and reactionaries.

That the imperialists and reactionaries are slandering socialism, while talking about protection of human rights and the like, is indeed brazen-faced and preposterous, like a thief turning on the owner. It is in the imperialist countries where social inequality is most serious, where people are oppressed, and where human rights are violated more harshly than anywhere else in the world. We cannot expect the human rights of the popular masses in the capitalist society devoid of democracy. This is only too clear.

In capitalist society, an absolute majority of the masses of working people cannot enjoy human dignity and political rights, and they have been robbed of even their primary rights of survival. The imperialists and reactionaries—who inflict political terrorism on the innocent people and persons calling for freedom and democracy and infringe upon even democratic freedom and rights of survival of the working people—are not entitled to talk about human rights.

The brutal human rights violations being perpetrated in South Korea at the instigation of the U.S. imperialists clearly show how hypocritical and brazen-faced are the words of "protection of human rights" about which the imperialists clamor. South Korea is where visitors to the North are jailed for years simply because they visited Pyongyang for national reunification. It is also South Korea where a bare-handed young student is beaten to death with an iron pipe in a peaceful demonstration.

South Korea, which has been turned into a zone barren of human rights under the rule of the U.S. imperialists and the South Korean puppet clique, is clear evidence of the antipopular nature of bourgeois democracy about which the imperialists are clamoring.

Socialist democracy is legally guaranteed by the socialist law-abiding life. The socialist law-abiding life is a democratic law-abiding life totally different from the bourgeois law-abiding life. The bourgeois law-abiding life rules the people by force. The socialist society is an organized society based on collectivism, and its organizational spirit is guaranteed by socialist law. Our socialist law is the basic weapon for state management that the people themselves have made to protect the interests of the masses of working people.

Today, all the people in our country have been fully guaranteed democratic freedom and rights in all areas of state and social life, under the circumstances in which social order has been completely established by socialist law. Unlike the capitalist society where the law has become the means of the antipopular rule of the reactionary ruling classes, our socialist law is enacted on the basis of the will of the masses of working people and is executed on the basis of the lofty consciousness of the masses of working people.

Our working people are thoroughly guaranteed by law their democratic rights and freedom as the master of society through their most people-oriented socialist law-abiding life. Our style of socialist democracy which is being enforced in our country today is indeed the genuine democracy which provides the people with genuine freedom, rights, and a happy life. It is our people's great happiness to live under the superior socialist system in which such democracy is being enforced.

2. It Is Thanks to the Wise Leadership of the Party and the Leader That Socialist Democracy Is in Full Force in Our Country.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers Party of Korea, has indicated: Genuine democracy can be guaranteed only when the state gives centralized leadership under the guidance of the party of the working class.

The matter of democracy in our country has been solved since an early date our own way on the basis of the chuche idea in conformity with the specific conditions of our country under the leadership of the party and the leader. The great leader Comrade Kim Il-song, after the liberation of the country, resolutely smashed all sorts of maneuvers to mechanically imitate bourgeois democracy or democracy of other countries and laid down the line of progressive democracy which is suitable to the will and ideological emotion of our people. The basic content of the progressive democracy laid down by the respected and beloved leader include independence, collaboration, freedom, enrichment, revolution, and peace. Therefore, it is democracy of a new type which provides all patriotic people who struggle against the imperialists and their stooges and who love the country and the nation with genuine freedom and rights.

In our country, we have further developed progressive democracy into our style of socialist democracy in compliance with new historic conditions, in which a socialist system has been established under the wise leadership of the party and the leader. Ours, as the only guiding force in socialist society, is a great party that carries out popular masses-centered politics. It is our party that carries out genuine socialist democracy based on the popular masses' aspirations and earnest desires. It is also our party that is wisely leading the struggle to staunchly defend the people's interests and to highly display the superiority of socialism.

Our party considers the popular masses-centered chuche idea as a guiding idea. It also considers the completion of the popular masses' cause of independence as the objective of its struggle. This is precisely why our party is a revolutionary party that carries out politics for the people's sake and implements genuine socialist democracy.

In implementing socialist democracy, our party considers the chuche idea as a firm guiding principle. Our style of socialist democracy that is implemented in our country is genuine democracy in which the chuche idea is implemented. The chuche idea, which the great leader Comrade Kim Il-song created, is a man-centered view of the world. The chuche idea helped elevate man's dignity and value to the highest level. Because the chuche idea is implemented in it, our style of socialist democracy is popular masses-centered democracy giving genuine freedoms and rights to all the workers and ensuring that they help and lead each other and lead independent, creative lives.

The chuche idea is the political philosophy of our party and state. Our party and state carry out their activities, considering the chuche idea as their ideological and theoretical basis. In mapping out its policies, our party, which is endlessly loyal to the people, goes among them to know what they want and demand, and its policies reflect the results of this. All our party's lines and policies are based upon the popular masses' aspirations. As a result, politics in our country are democratic politics and thoroughly based on the will of the popular masses.

By enhancing the functions and roles of people's government organizations, our party thoroughly ensures that the people lead independent, creative lives. National sovereignty is a basic matter that determines the people's positions and roles. The people's rights to independence are clearly shown in national sovereignty, and if the popular masses are to possess genuine freedoms and rights, they must become the masters of government power. The masters of government power are the popular masses in socialist society, and popular masses themselves are those who build and manage and operate government power.

In our country, the socialist regime represents the popular masses' rights to independence, the source of their creative skills, the organizer of their creative activities, and the defender of the people's lives and interests, and it is a regime that serves the people. Under our party's leadership, our people's government helps the popular working masses widely participate in its activities and endlessly enhances the popular working masses's roles in state-level political activities.

Among the 687 deputies to the Ninth Supreme People's Assembly, 37 percent of them are workers; 10.4 percent, cooperative farm members; and 20.1 percent, women. This clearly shows the people-oriented nature of our people's government. To make the broad strata of popular working masses widely participate in its activities, our people's government combines democratic centralism with the revolutionary line on the masses. Democratic centralism is work designed to turn popular working masses' opinions into the government's policies. It is the work of implementing the revolutionary lines on the masses and an activity designed to turn state policies into the masses' vital duties.

If the centralized system's guiding functions necessary for a socialist state's duty of serving the people are weakened, the socialist state cannot responsibly guarantee the people's lives. Under the veil of democracy, the imperialists slander guidance under the centralized system in a socialist state just to obliterate socialism. Our people's government correctly combines guidance with the masses and enhances the popular masses' position and roles in state-level political lives by all means.

People's government organizations, believing in the might of the popular masses, are strongly uniting the broad strata of popular masses and positively mobilizing the masses' revolutionary enthusiasm and positive creativity. In this way, they are leading the popular working masses to defend their dignity and rights and to realize their demands and ideals by waging struggles themselves. In addition to enhancing the people's government's function and roles, our party is leading all the workers to participate in party organizations and party-led political organizations and to lead political and organizational lives.

If they are to become the masters of genuine politics, the popular masses must not only become the masters of politics but also participate in the political activities of parties and organizations as masters. In a socialist society, only when the people join the organizations of working-class parties and party-led political organizations, can they, forging blood ties with the leader [suryong], brighten their social and political lives and enjoy their political rights.

By making all the workers lead organizational and ideological lives in party organizations and party-led labor organizations, our party ensures that the democratic opinions of party members and workers are reflected in party and state policies and that they implement those policies by bringing their creative initiative into full play. Our party also makes the party members and workers take the leader's [suryong's] revolutionary ideas as political food by leading political and organizational activities. Our party makes them prepare themselves in a revolutionary manner with the assistance of organizations and comrades.

Our country's reality, in which all the workers are participating in the implementation of party and state policies as masters by leading political and organizational lives and in which they are enjoying valuable lives, is clear proof that destroys the sophistry of the imperialists and reactionaries who, slanderously saying that our political and organizational activities restrict freedoms, are opposed to them.

In implementing our style of socialist democracy, our party is wisely leading the work of positively accelerating socialist economic and cultural construction. Carrying out well socialist economic and cultural construction is a guarantee that provides the popular working masses with substantial democratic freedoms, rights, and happy lives.

In a socialist society, the workers enjoy not only all the political freedoms and rights but also freedoms of and rights to economic and cultural lives. These freedoms and rights are substantially guaranteed by successes in economic and cultural construction.

When victorious hurrahs are continuously resounding in socialist construction and when the people enjoy more substantial materialistic and cultural lives, the antisocialist commotions by the imperialists will become listless, and the superiority of socialist democracy will be highly displayed.

Our party is wisely leading the struggle to produce new upsurges in all fronts of socialist construction under the uplifted banner of the three revolutions—ideological, technological, and cultural. Because new miracles and feats have been endlessly created in all fronts of socialist construction under the party's leadership, the materialistic and technological basis of socialism has been consolidated. Our people's earnest desire to lead independent and creative lives in all the political, economic, ideological, and cultural fields is being realized brilliantly.

In particular, our party is leading the producing masses to positively participate in economic management by adhering to the Taean work system. The socialist economy in which the popular masses possess the means of production must be managed by the popular masses themselves. Because the Taean work system has been thoroughly implemented under our party's leadership, the popular masses have become masters in economic management in our country, and their boundless creativity has been displayed more highly.

Constantly improving the standard of the people's living is the supreme principle of our party's activity. Organizing bold operations to improve the standard of the people's material life in a manner consitent with the most valuable and rewarding political life and the sound and rich ideological and cultural life that our people are enjoying today, our party has energetically led these operations. Our party's struggle to epochally increase the production of various kinds of people's consumer goods by thoroughly implementing the policy of carrying out the revolution in the light industry sector, to build 50,000 housing units in Pyongyang, and to build modern houses in urban and rural areas throughout the country has unfolded firm prospects that can effect an epochal turn in the material and cultural life of our people.

In enforcing socialist democracy for the people our party has seen to it that the revolutionary work method and the people-oriented work style are thoroughly embodied under the slogan, "We serve the people." To conduct politics which accord with the will of the popular masses, it is imperative to establish the revolutionary work method and people-oriented work style. Stressing that wielding power and exercising bureaucratism over the popular masses is tantamount to an act of taking poison, our party has led party organizations and functionaries to become the people's faithful servants who struggle for the interests of the people.

As our party correctly leads the struggle to generalize the Chongsan-ri spirit and the Chongsan-ri method among the entire party, our functionaries have grasped political work as the first of its tasks and persuaded and indoctrinated the popular masses in a persistent and substantial manner until they sincerely accept the intent of the party and the leader as their own and carry out it. At the same time, under the slogan, "Let the entire party mingle with the masses," functionaries not only have mingled with, educated, and mobilized the masses, while sharing joys and sorrows alike with them, but are also learning from them.

Thanks to our party's energetic leadership, the whole society is seething with revolutionary mettle, all tasks of the state are being implemented under the active participation and concern of the masses, and the kindred bonds between the party and the masses have been further strengthened. Today our people are full of the boundless dignity and pride of living in the socialist society in which socialist democracy is enforced. Our people's support for and trust in socialism are firm and invariable.

No matter how hard the imperialists may clamor about bourgeois democracy, freedom, human rights, and the like, no one will listen to it. Our people's firm and invariable will is to sharply grasp the reactionary and antipopular nature of bourgeois democracy, to resolutely struggle against it, and thoroughly safeguard and defend our style of socialist democracy.

Our style of socialism in which politics for the popular masses, genuine democracy, is enforced under the wise leadership of the party and the leader will emerge triumphant through any storm and stress, and bourgeois democracy infringing upon the interests of the people is bound to go awry.

Vigorous Acceleration of Three Revolutions Urged

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[NODONG SINMUN 24 July special article: "Vigorously Accelerating Three Revolutions Is Basic Means To Victoriously Advance Socialism"]

[Text] Our people are vigorously accelerating socialist construction under the banner of the three revolutions—ideological, technological, and cultural.

The three revolutions being carried out by our people are a great revolutionary line which firmly guarantees a victorious advance of socialism.

The dear leader Comrade Kim Chong-il has noted: The line of the three revolutions—ideological, technological, and cultural—is the most just line which firmly guarantees the development and consummation of socialism.

Properly settling the question of a revolutionary line is a fundamental matter of principle for socialist and communist construction. Only when this question is properly settled can the difficult and complicated problems which arise in the construction and development of socialism be successfully solved and continuity and consistency firmly guaranteed in the revolutionary struggle.

For the consummation of the cause of socialism and communism, the revolution should continue even after the establishment of a socialist system, and the ideological and material fortresses—the basic strategic goals of the socialist and communist construction—must be occupied. In other words, all members of the society should be revolutionized, given a working class nature, and intellectualized and, then, they should be turned into completely advanced communist human beings. At the same time, productivity should be enhanced and the strong material and technological foundation suitable to the socialist and communist society should be established.

If emphasis is placed only on occupying the material fortress, it will not be possible to educate the people in a revolutionary manner and to properly develop the society. Meanwhile, if we struggle only to occupy the ideological fortress, economic construction cannot be properly carried out and a more affluent material and cultural life cannot be provided for the people.

The justness and might of the three revolutions are precisely that the two fortresses of socialist and communist construction can be occupied at the same time, while placing a preferential emphasis on the struggle to occupy the ideological fortress.

The ideological revolution is to remove the obsolete ideas from the minds of the people, to revolutionize all members of society and to give them a working class nature. Meanwhile, the technological revolution is to establish a strong material and technological foundation through the development of technology and to free working people from the hardships of labor. Then, the cultural revolution is to overcome the backwardness in the cultural sector and to create a new culture for the popular masses. Accordingly, only through the three revolutions, can the people's ideas be remolded, the economy and culture developed, and the socialist system strengthened.

Under the socialist system, the three revolutions are the only way to make bloom at the same time the political, economic, ideological, and cultural lives of the people. The three revolutions are inevitable because man-remolding, nature-harnessing, and society-remaking should be accomplished for the socialist and communist construction.

Correctly establishing a strategic line and thoroughly implementing it in socialist construction are important issues to continue the revolution to strengthen and develop the socialist system and to fully display its superiority. Thus, they are life-and-death matters in smashing the imperialists' anti-socialist maneuvers and in victoriously advancing the cause of socialism, while adhering to the revolutionary outlook of the working class and to the principle of socialism.

Through the three revolutions, our party is brilliantly settling these important issues linked to the cause of socialism. By vigorously pushing ahead with three revolutions—ideological, technological, and cultural, our party is thoroughly remolding man, society, and nature and is successfully settling the issues for the acceleration of the cause of socialism and for the growth and development of the country and nation. Thoroughly carrying out the three revolutions—ideological, technological, and cultural—is, above all, a basic means to prepare all members of society as the main force of the socialist and communist society by revolutionizing them, giving them a working class nature, and intellectualizing them.

As elucidated by the chuche idea, the development of society largely depends on the qualities of the people who are the masters of society and on their ideologies and spirits. The main force of the revolution, which vigorously promotes the development of the socialist society, is the awakened and organized popular masses armed with the revolutionary ideology of the working class, profoundly versed in the development of the society, and creative.

Accordingly, remolding the popular masses, who are the masters of the society, in a communist manner, i.e., revolutionizing them, giving them a working class nature, and intellectualizing them, should be ceaselessly intensified to strengthen the main force of the socialist and communist society.

It can be said that the pace and intensity of the socialist and communist construction, after all, depend on how the popular masses are remolded into independent, creative, and conscious beings. Therefore, how the ideological education, the man-remolding, is conducted can be considered a standard in consummating socialism.

The line of the three revolutions—ideological, technological, and cultural—scientifically shows the goal, direction, and method of the man-remolding work to remold all members of the society in a communist manner. Thus, it illuminates the way to most successfully accelerate the task of forming the main force of the socialist and communist society without any deviation.

According to the demand of the man-remolding work as elucidated in the line of the three revolutions, our party continued to give a firm priority to the ideological revolution over all other tasks, thus vigorously accelerating the cultural revolution. Our party also gave a correct definition of the content and method of the ideological education in compliance with the demand of the development of the revolution, and ceaselessly accelerated the ideological education among the party members and working people.

Under the wise leadership of our party, a firm priority has been given to the ideological revolution, and the cultural revolution has been vigorously pushed ahead. As a result, a basic turn has been made in the ideological and spiritual aspects of our people and in the level of their technology and culture.

Today, our party members and working people have firmly armed themselves with the revolutionary ideology of our party, the chuche idea. They are being prepared as genuine communist men who possess the lofty spirit of collectivism and the spirit of limitless devotion to the revolution, and as those who are reliably in charge of the socialist construction.

All people are being prepared as the main force of the socialist and communist society. This is the most precious success. Because all people are being prepared as the powerful main force of the revolution, our socialist system is being ceaselessly strengthened and developed, and the future of the socialist construction of our country is endlessly bright.

Implementing thoroughly the line of the three revolutions—ideological, technological, and cultural—is also a basic means to strengthen the economic might of the country and to develop the socialist culture. What is important in accelerating the socialist economic construction and in developing the culture is to use the correct method of revolution befitting the intrinsic nature of the socialist society and the popular masses' desire. Only then can the superiority and vitality of socialism be fully displayed and the economic and cultural construction be accelerated very rapidly. The three revolutions are the unique revolutionary methods completely befitting the intrinsic nature of the socialist system and the popular masses' desire.

In the socialist society where all members of the society are united with a single ideology and mind, only through a revolution that is carried out in a way of the three revolutions, can the economy and culture be developed and the socialist construction be actively accelerated by consolidating the unity and cohesion of the popular masses and by fully mobilizing their revolutionary zeal and creative positive outlook.

Our people are making a remarkable development in the socialist economic construction by thoroughly waging the three revolutions—ideological, technological, and cultural. Our people, who have firmly established the material and technological foundation of socialism in the flames of the chollima campaign and the movement to win the red flag of the three revolutions—the movements which are the embodiment of the line of the three revolutions—are today vigorously accelerating the Third Seven-Year Plan to reach a high level of the economic development appropriate for a completely victorious socialist society.

Under the wise leadership of our party, major construction projects of enormous scales are being successfully carried out for the distant future of the nation, and industrial production is ceaselessly growing. This is a clear proof of our economic might.

The three revolutions—ideological, technological, and cultural—are effecting a great change in the socialist cultural construction, as well. The issue of national cadres, which was regarded as an extremely difficult matter in the past, has been properly settled. The level of our people's culture and knowledge, which was very low in terms of modern culture, has now reached a very high stage and the golden days of the chuche-oriented literature and arts have come. The popular culture of national styles and socialist ingredients—the revolutionary culture uncontaminated by the rotten culture of imperialists and reactionaries—is ceaselessly blooming and developing. This reality strongly proves the correctness of the line of the three revolutions.

Thoroughly carrying out the three revolutions—ideological, technological, and cultural—is also an important guarantee for firmly adhering to the principle of socialism and for highly displaying the superiority of socialism.

The struggle to advance and consummate the cause of socialism is not a smooth one. Today, the imperialists and their stooges are atrociously maneuvering against socialism. They are scheming for the internal disruption of the socialist countries. They are scheming to turn them toward the road of capitalism and to subjugate them politically and economically.

This being the situation, in order to firmly defend the cause of socialism and to advance it successfully, we must persistently struggle to adhere to the stand of the working class and to the principle of socialism.

Our party's line of the three revolutions is a militant banner to firmly adhere to the stand of the working class and to the principle of socialism and to glorify the prestige and honor of socialism under all difficult circumstances. At the same time, it is a revolutionary banner helping the people smash the imperialists' maneuvers of domination and subjugation and it is convincingly moving forward along the road of socialism. This is because the three revolutions help firmly organize the main force of the revolution and strengthen the political and economic might of the country.

In particular, the three revolutions help nurture all people into revolutionaries who possess the firm stand of the working class and who are loyal to the cause of socialism. They help strengthen the political and ideological might of the socialist system.

By carrying out the three revolutions thoroughly, we can smash the imperialists' anti-socialist maneuvers, and the problems of educating the people in a revolutionary manner, developing a noble culture, and developing the economy and technology to a high level can be properly solved in a socialist manner based on the principle of socialism.

The line of the three revolutions is a chuche-oriented revolutionary line which was developed and which is being implemented under the wise leadership of the great leader and the dear leader Comrade Kim Chong-il and through their profound ideological and theoretical activities.

Dear leader Comrade Kim Chong-il, using the deep principle of the chuche idea and the demand of the practice of the revolution, has ceaselessly developed and enriched the theory of the three revolutions and has illuminated the path along which the cause of socialism should advance.

Our cause of socialism, which advances along the road of the three revolutions under the wise leadership of the great leader and the dear leader Comrade Kim Chong-il, will be always victorious and will be brilliantly consummated.

Article Views Chuche Theory of Party Building

SK2907122791 Pyongyang KCNA in English 1033 GMT 29 Jul 91

[Text] Pyongyang July 29 (KCNA)—The chuche theory of party building evolved by the Workers' Party of Korea is a new, unique theory and perfect doctrine of party building which put in an integral system the principles of organisational, ideological and leadership art building with the chuche idea, the man-centred world outlook, as the ideological and theoretical basis and with the revolutionary outlook on the leader as the core, says Dr. Yi Chu-sol in an article contributed to NODONG SINMUN July 28.

By strictly adhering to the chuche theory and principle of party building, our party has strengthened and developed itself into a steel-like party with singlehearted unity, strong organisation and discipline under the monolithic ideological system of the party, an invincible party united with the masses and a party with a bright future which is able to brilliantly accomplish the leader's cause through generations, the article says, and continues:

Our party has a high leadership authority and invincible might as it has been built and is active in accordance with the great chuche theory of party building.

The dear leader Comrade Kim Chong-il said:

"The chuche theory of party building is mainly characterized by its being based on the principles of the chuche idea and being evolved with the position and role of the leader at the core."

The chuche theory of party building is evolved and systematised on the basis of the principles of the immortal chuche idea.

The principle of building the party organisation is based on the principle that the driving force of the revolution is the integrated whole of the leader, the party and the masses, the principle of building the party's ideology is based on the theory of thought that the independent ideology of people plays a decisive role in the revolutionary struggle, and the principle of building the party's art of leadership is based on the principle that everything must be solved by placing the masses in the centre, defending their interests and enhancing their role.

The chuche theory of party building was put in an integral system with the position and role of the leader at the core.

As it is evolved with the revolutionary outlook on the leader at the core, it serves as an effective theory of party building which makes it possible to consolidate the party ranks politically and ideologically and establish a correct art of leadership.

The chuche theory of party building defines it as the principle of building the party organisation to strengthen the party organisationally with the leader at the centre and make it a powerful integrated whole.

This theory expounds that in order to unite the whole party organisationally around the leader and establish a revolutionary discipline for united action, it is imperative to strictly abide by the principle of democratic centralism and properly build the structure and system of the party organisation.

This theory defines it as the principle of building the art of leadership to realise the unitary guidance of the leader and apply the mass line.

The theory expounds that in order to ensure the uniformity of the leadership and combine it with the mass line, it is essential to build a system and order in which the whole party acts as one in accordance with the intention of the party Central Committee, to establish a system under which the party committees at all levels guide all work in a unified way as the supreme guidance organ of each unit, to strengthen collective guidance and to establish a revolutionary and popular method and style of work.

Anniversary of Equality of Sexes Law Marked

SK2907123891 Pyongyang KCNA in English 1044 GMT 29 Jul 91

[Text] Pyongyang July 29 (KCNA)—A national meeting was held today at the People's Palace of Culture to mark the 45th anniversary of the promulgation of the historical law on equality of the sexes (July 30, 1946).

Present there were Yi Chong-ok, member of the Political Bureau of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and vice-president, Kim Pok-sin and Kang Hui-won, alternate members of the Political Bureau of the C.C., the WPK and vice-premiers of the Administration Council, Kim Chung-nin, secretary of the C.C., the WPK, Chang Chol, vice-premier of the Administration Council, and others.

Kim Pok-sin in her report said that the great leader Comrade Kim Il-song's promulgation of the law on equality of the sexes was a historical event in which he stood our women as full-fledged masters of the state and society, freeing them from the centuries-old oppression and inequality.

Thanks to the law on equality of the sexes, the political position on the women as the masters of the state and society has been made clear and consolidated by law, they have been provided with socio-political right and ecopomic right equal to men and the long-standing feudal family customs liquidated, she noted, and went on:

Comrade Kim Il-song said that the women's problem can be completely settled only when all the women are revolutionized and working-classized after the social liberation of the women and provided with the material conditions so that they may work freely in society free from burdens of household chores. He has wisely led the struggle for its materialisation.

Today in our country a large number of women are taking part in the state affairs as deputies to the Supreme People's Assembly and local assemblies of all levels and making active contributions to carrying on the technical revolution and cultural revolution.

The shining example in the solution to the women's problem in our country gives great conviction and encouragement to the women who are groaning under the yoke of imperialism and colonialism and the world progressive women who have risen up in the building of a new society.

Noting that the South Korean people and women are waging a vigorous struggle for the reunification of the country and democratic freedom, Kim Pok-sin stressed that the internal and external splittists' "two Koreas" plot will be shattered and the Korean people's cause of national reunification be achieved by the concerted efforts of all the pro-reunification patriotic forces in the North, the South and overseas.

KCNA Review of 27 Jul Pyongyang Press

SK2707070191 Pyongyang KCNA in English 0454 GMT 27 Jul 91

[Press Review]

[Text] Pyongyang July 27 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received a delegation of Korean veterans in the Soviet Union and news that a gift was presented to the dear leader Comrade Kim Chong-il by the delegation.

Appearing in NODONG SINMUN is a letter to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, from the participants in a starting ceremony of the "international solidarity march for supporting Korea's reunification" held under the co-sponsorship of the National Socialist Party of Syria in Lebanon and the Palestine National Liberation Movement.

Foreign media reported the speech of President Kim Il-song of the Democratic People's Republic of Korea at the banquet arranged in honor of His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, says the paper.

Given in the press is news that President Kim Il-song received reply messages from state leaders of different countries.

According to NODONG SINMUN, a lecture on answers of President Kim Il-song to questions raised by the president of the KYODO News Service of Japan was given in India.

The paper says that the Korean People's Army, under the wise guidance and benevolent loving care of President Kim Il-song, has grown to be ever-victorious iron-willed revolutionary ranks which can smash any imperialist aggressors at one stroke, if they dare pounce upon it.

Printed in the paper is news that a Zairese paper carried an article explaining "Our Socialism for the People Will Not Perish," a work of Comrade Kim Chong-il.

An article of MINJU CHOSON says that Comrade Kim Chong-il looked after the disabled soldiers in their work and life with parental affection, calling them a pride of the country.

Today marks the 38th anniversary of the victory of the Korean people in the Fatherland Liberation War. On this day, papers feature an editorial demanding that the U.S. imperialists immediately withdraw their nuclear weapons and aggression troops from South Korea, and articles on the ignominious defeat of the U.S. imperialists in the Korean war and poems and pictures.

Papers inform the readers that the sixth national festival of science and technology closed.

Printed in the press is a protest issued by the North side's Headquarters of the Pan-Korean Alliance for National Reunification denouncing the South Korean authorities for obstructing the opening of the '91 pan-Korean rally and the grand reunification festival of students.

The press reports that delegates of the North side to the August 15 grand reunification festival of students in the North, the South and overseas were nominated at campuses in the northern half of the country.

According to NODONG SINMUN, the chairman of the Association of the Koreans in Japan for Peaceful Reunification released a statement in support of the DPRK's proposal concerning the opening of the political consultative conference for national reunification and North-South joint celebrations of August 15.

Given in the daily is an account of a press conference called by the mission of the South Korean National Democratic Front (Hanminjon) in Japan on the White Paper of the Central Committee of the Hanminjon concerning the nuclear problem in Korea.

The paper reports about reckless war exercises against the North staged ceaselessly by the U.S. imperialists and the South Korean puppets.

In an article entitled "The United States Must Draw Lesson From Its Defeat in the '50s", the daily warns that it is a mistake, if the U.S. imperialists think they can threaten and frighten the Korean people with "strength".

It is reported in the daily that the nuclear war moves of the U.S. imperialists were denounced and the Korean people's cause of national reunification was supported in different countries on the occasion of the June 25-July 27 month of anti-U.S. joint struggle.

In a commentary, the daily denounces the U.S. imperialists for initialling an aggressive and treacherous "wartime host nation support agreement" with the South Korean puppets.

An article of the daily says that the U.S. imperialists are scheming to find a pretext for a nuclear war, feverishly carrying on an anti-DPRK smear campaign.

The press reports that Comrade Fidel Castro declared the idea of socialism will revive like the phoenix and the organisations of the Communist Party of the Soviet Union published statements rejecting the decree of the RSFSR [Russian Soviet Federated Socialist Republic] president on stopping the activities of political parties.

NODONG SINMUN deals with the efforts in Vietnam, Laos, Syria, Thailand, Pakistan, Indonesia, Nepal, Sri Lanka and Bangladesh to build a new Asia.

KCNA Review of 29 Jul NODONG SINMUN

SK2907082491 Pyongyang KCNA in English 0601 GMT 29 Jul 91

[Review of NODONG SINMUN]

[Text] Pyongyang July 29 (KCNA)—NODONG SINMUN today reports that immortal classical works of the great leader President Kim Il-song were studied and disseminated in different countries.

Foreign mass media and Koreans' newspaper and news service of Koreans in the United States gave publicity to "Our Socialism for the People Will Not Perish," a work of the dear leader Comrade Kim Chong-il, according to the paper.

It runs an article recalling that President Kim Il-song visited a mountainous county of North Pyongan Province and wisely guided officials to become faithful servants of the people.

Printed in the paper is a poem titled "Glory to President Kim Il-song" composed by Nhouyvanisvang [name as received], director of the Asian and Pacific division of the UNESCO.

The daily editorially calls on all officials and party members and working people to firmly establish the anti-Japanese guerrilla way of work and successfully fulfil their assignments.

It reports that crops are ruling good on farms and different sectors of the national economy powerfully assist the construction of 50,000 flats in the capital including Tongil Street.

It informs the readers that sports games for Pochonbo Torch Prize were held and preliminaries of the Yim Su-kyong cup football tournament are going on.

It comes out with an article titled "To Define Nation's Common Way of Reunifying the Country Is Practical Task."

Seen in the paper are a report that an agreement on the grand reunification festival of students in the North, the South and overseas was adopted at the first working-level talks for a success of the festival held in Berlin, and a joint statement of students in the North, the South and overseas on the independent and peaceful reunification of the country and an appeal to the students of the world which were adopted at the talks.

Members of Chonminnyon [National Democratic Alliance of Korea], Chongyojo [National Teachers Trade Union] and four other dissident organisations and students of South Korea held a rally and urged the denuclearisation of the Korean peninsula and the adoption of a North-South nonaggression declaration and a South Korean newspaper accused the present "regime" of abusing government power, according to the paper.

It is reported in the daily that on the occasion of the month of anti-U.S. joint struggle (June 25-July 27) functions were held in different countries, solidarity letters and statements were published and foreign seamen staying in Korea held a celebration meeting.

Seen in the paper are the gist of the speech of Comrade Fidel Castro at a national meeting marking the 38th anniversary of the attack on the Moncada barracks and an article introducing the sports village built on the threshold of the 11th Pan-American Games.

It reports that the U.S. imperialists plan to increase military equipment behind the curtain of "disarmament" and the Zimbabwean president called for continued sanctions against South Africa.

It runs an article "Asian Situation Draws World's Attention."

South Korea

Joint High-Level Talks To Be Held in Pyongyang

SK2907065591 Seoul CHUNGANG ILBO in Korean 29 Jul 91 p 2

[Text] A second round of contact between responsible liaison officers of the South and North for the fourth round of South-North high-level talks scheduled for 28 August in Pyongyang was held on the morning of 29 July at House of Peace in the area of our side at Panmunjom, to discuss procedures concerning the visit to Pyongyang of our side's delegation and its itinerary.

In today's contact, our side sounded out the North's stand on its earlier hint at the possibility of linking the pan-national meeting to the South-North high-level talks as stated by the extraordinary expanded meeting of the Committee for Peaceful Reunification of the Fatherland on 25 July, whether the North still means it or not.

At the same time, our side is known to have raised the issue of the senior member of our side's delegation Chong Won-sik having an interview with President Kim Il-song.

More on Working-Level Contact Talks

SK2907072091 Seoul KBS-1 Radio Network in Korean 0630 GMT 29 Jul 91

[Text] Responsible liaison officers of the two sides of the North and the South met this morning at the Peace House in our area of Panmunjom and agreed to hold working-level delegates' contact at 1000 [0100 GMT] next month [as heard] at the Peace House to discuss preparations for the fourth round of North-South high-level talks slated for 27 August in Pyongyang with the participation of two delegates to the high level talks from each side. The two sides agreed to hold the contact in Camera. They also decided to use a hot line to inform the working-level delegates' contact of the list of their delegates later.

Agreement Made for Liaison to Panmunjom

SK2707000491 Seoul YONHAP in English 2339 GMT 26 Jul 91

[Text] Seoul, July 27 (YONHAP)—Officials from South and North Korea will meet at the truce village of Panmunjom on July 29 to discuss the fourth inter-Korean prime ministers' talks slated for late next month.

The southern side accepted the North's proposal made Friday that both sides send liaison officials to the border village Monday morning to consult the holding of the high-level talks set for Aug. 27 in Pyongyang.

A spokesman for the National Unification Board said Saturday Kim Yong-hwan, the southern liaison, will meet with his northern counterpart Choe Pong-chun at Panmunjom's southern sector for the talks.

NSP Says Chondaehyop Propaganda Body for North

SK2607121391 Seoul KBS-1 Radio Network in Korean 1000 GMT 26 Jul 91

[Text] Today, the Agency for National Security Planning [NSP] revealed the whole picture of the National Council for University Student Representatives [Chondaehyop], and announced that the General Headquarters, which has manipulated Chondaehyop behind the scenes, is a policy committee composed of members who organized the chuche idea group. NSP revealed that the Chondaehyop policy committee has manipulated Chondaehyop, adhering to the claims of the North Korean communists.

Reporter Pak Song-kyu reports on this: [Begin Pak recording] Today, NSP revealed that Chondaehyop is a propagandizing organization for Kim Il-song led by the chuche idea group, which adheres to the chuche idea of Kim Il-song of North Korea.

NSP revealed that while claiming itself to be the only organization representing the national universities students, Chondaehyop has superficially pretended to stage struggles for democracy. However, Chondaehyop in fact has been engaged in propagandizing Kim Il-songism and toppling a democratic system.

In addition, NSP revealed that Chondaehyop has been manipulated behind the scenes by the guiding policy of the Salvation of Korean National Democratic Front [SKNDF]—a North Korean psychological operations body—and by an underground organization of the chuche idea group.

As evidence that Chondaehyop has been motivated by SKNDF, NSP pointed out that the contents of Chondaehyop's New Year letters, distributed to campuses this January, were identical with those of the SKNDF's New Year message broadcast over the Voice of National Salvation in January. In addition, NSP noted that the key figures of Chondaehyop thoroughly learned by heart Kim Il-song's New Year address.

NSP revealed that Chondaehyop actually has been manipulated by its policy committee, and that, as a way of notifying each university's General Students Council of the strategy that it has chosen for them to adopt in the struggle, Chondaehyop has staged illegal rallies and violent demonstrations.

NSP also revealed that Chondaehyop's struggle funds were raised through membership fees of each university's General Students Council, through sponsors' money to hold special functions, and through income earned by its operation of vending machines. Furthermore, Chondaehyop has been also provided with funds by the General Association of Korean Residents in Japan and by overseas Headquarters of Pan-Korean Alliance for National Reunification.

NSP revealed that the Chondaehyop chairman has used about 1500,000 won a month as his private fund and that he has been provided with a deluxe car, driver, and bodyguards as well. NSP made public a Super Salon car used by Kim Chong-sik, Chondaehyop chairman, and his hiding place.

NSP announced these results of its investigation, and tomorrow will hand over to prosecution Kim Chong-sik, Chondaehyop chairman, Ho Tong-chun, Chondaehyop spokesman, and other 13 figures who were arrested on 8 July, to indict them on charges of forming organizations benefitting the enemy.

NSP also announced that 81 key figures of Chondaehyop, including Mr. Yi Chol-sang, acting Chondaehyop chairman, have been on wanted lists across the country. [end recording]

Discussion Issues Proposed for Premiers Talks

SK2907104091 Seoul YONHAP in English 0621 GMT 29 Jul 91

[Text] Seoul, July 29 (OANA-YONHAP)—Inter-Korean agreement for economic cooperation and exchanges will be a high priority at next month's South-North Korean prime ministers' talks, especially in direct trade, joint investment and tourism projects, government officials said Monday.

North Korea has been hinting at gradual opening of its hermit society, the most recent one coming at the United Nations Development Project (UNDP) sub-regional meeting July 6-7 in Ulaanbaatar where Pyongyang proposed establishing a special economic zone in Chongjin.

Officials said they are tapping direct trade, joint investment and tourism as the most promising areas for inter-Korean exchange and are preparing detailed plans for the projects.

North Korean President Kim Il-song reportedly told visiting Japanese parliamentarians last week that Pyongyang is willing to accept Seoul's proposal for inter-Korean trade, communications and travel agreements if Seoul agrees to adopting a non-aggression declaration.

The Seoul government, taking a cue from Kim's remarks, is planning to strongly urge Pyongyang to conclude the trade, communications and travel accords at the fourth round of inter-Korean prime ministers' talks scheduled in Pyongynag Aug. 27-30, the officials said.

South Korea is specifically considering a clearing agreement with North Korea for easier payment arrangement for inter-Korean trade. The idea, discussed and almost agreed during Seoul-Pyongyang economic negotiations in 1984-1985, calls for installing open accounts at each other's central banks.

Seoul is also hoping to combine its capital and technology with Pyongyang's resources and labor for active joint investments, especially when a special economic zone is established in North Korea, the officials said.

Seoul is considering agreements on avoidance of double taxation and investment protection for special tax benefits, freer investment and cross-border money remittances.

South Korean plan also includes a tourism project connecting Mt. Kumgang in the North and Mt. Sorak in the South, possibly through a joint venture company with North Korea.

Even if free, open civilian exchange is not immediately possible, Seoul is to propose free visits at least in this joint tourist mountain resort, officials said.

Seoul is to propose during the prime ministers' talks that the two sides establish an economic negotiation committee led by vice premier-level officials from the two sides.

Seoul To Attend UNDP Meeting on DPRK Zone

SK2907023291 Seoul YONHAP in English 0204 GMT 29 Jul 91

[Text] Seoul, July 29 (YONHAP)—South Korea is expected to send a delegation to a meeting sponsored by the United Nations Development Project (UNDP) next month in northeast China to discuss development of North Korean side of the Tumen River, a government official said Monday.

The meeting will be held Aug. 27-30 in Jilin Province of China to discuss development of the river area and the possibility of establishing a special economic zone in North Korea, the official said.

North Korea at a UNDP sub-regional meeting in Ulaanbaatar, Mongolia, early this month, invited foreign investment and participation including South Korea, in developing its side of the river bordering China and the Soviet Union. Officials from the Economic Planning Board and the Science and Technology Ministry were at the session.

"China has officially invited South Korea to next month's meeting," the official said. Also invited were Japan, the United States, the Soviet Union, Mongolia, and South and North Korea. He said.

North Korea did not yet disclose details on creating the special economic zone, but the government is positively considering Pyongyang's proposal for the Tumen River development, the official said.

South Korea is planning to send about 10 delegates, composed of officials from the Economic Planning Board, Science and Technology Ministry and Foreign Ministry as well as academic and business circles to the meeting.

Seoul Decides To File UN Application 5 Aug

SK2907104691 Seoul YONHAP in English 1035 GMT 29 Jul 91

[Text] Seoul, July 29 (YONHAP)—The South Korean Government has finally decided to file an application for admission to the United Nations on Aug. 5, it was learned Monday.

The government orginally planned to submit the application Friday to U.N. Secretary General Javier Perez de Cuellar, but had to reschedule because of a delay in the appointment between Perez de Cuellar and No Chang-hui, Korean ambassador to the United Nations.

No is to visit Perez de Cuellar on Aug. 5 to file an application form and deliver a document certifying South Korea's acceptance of the U.N. Charter.

The U.N. Security Council is expected to form a deliberation committee upon Perez de Cuellar's request to review the two Koreas' offer to join the world body. The council is expected to handle the Korean applications in a single resolution by Aug. 12, official sources here said.

Preparatory Meeting With North Proposed

SK2707075991 Seoul YONHAP in English 0359 GMT 27 Jul 91

[Text] Seoul, July 27 (YONHAP)—South Korea Saturday proposed that South and North Korea hold a preparatory meeting for their joint commemoration of Liberation Day at the truce village of Panmunjom on Tuesday.

The proposal was conveyed in a telephone message to Yun Ki-pok, vice chairman of North Korea's Committee for the Peaceful Reunification of Fatherland by Kim Chang-sik, chairman of the southern preparation committee for "grand march for reunification."

Choe Ho-chung, who is concurrently National Unification Board, offered on July 15 a package of plan, featuring cross-country pilgrimage and inter-Korean academic symposium on reunification, to commemorate the Aug. 15 Liberation Day by South and North Korea jointly.

Kim suggested to North Korea on July 20 to hold the inter-Korean preparatory meeting on July 26 but there was no response from the North.

North Asks for Investment in Building Zones

SK2707124791 Seoul KBS-1 Television Network in Korean 1200 GMT 27 Jul 91

[Text] It has been learned that North Korea asked our side to invest in the construction of special economic zones that it is planning to build in Najin and Unggi.

A high-ranking government official said that a North Korean official who was participating in the UN Development Program [UNDP] meeting in early July in Ulaanbaatar, Mongolia, told our side's representatives that it will establish special economic zones in Najin and Unggi and expressed the hope that our business companies will invest in their construction. Upon receiving reports from officials of the Ministries of Science and Technology, Culture, and Foreign Affairs who participated in the UNDP meeting, the government will try to discern the true intention of North Korea's request for our investment through diplomatic channels and will discuss with North Korea how to participate in the construction of the special economic zones.

Further on North's Request

SK2807113991 Seoul THE KOREA TIMES in English 28 Jul 91 p 1

[Text] North Korea has invited South Korean businesses to invest in the construction of a special economic zone planned for Chongjin port, Hamgyong-pukto.

A high-ranking government official said yesterday, "A North Korean official at a recent international conference expressed his hope that foreign businesses would participate in the projected construction of a special economic zone in Chongjin and he said they could include South Korean firms."

Kim Yun-kwang, a director for Mongolian affairs at the Economic Planning Board's International Policy Coordination Office, attended the international conference sponsored by the United Nations Development Program (UNDP) in Ulaanbaatar, Mongolia, late last month.

It is the first time that Pyongyang has ever proposed that South Korea invest in a development project in the North.

The North Korean suggestion could become a turning point toward active inter-Korean economic exchanges, according to Kim.

The North Korean representative at the UNDP conference was quoted as saying that the Pyongyang government has been seeking the construction of a special economic zone in Chongjin as part of a development program for the port and its vicinity with the support of the UNDP.

The North Korean side has entrusted a feasibility study on the project with the UNDP.

A free trade market is also being planned by the UNDP in Hunchun, Jilin Province of China near the border with North Korea and the Soviet Union, involving the three countries and South Korea.

On the other hand, the Soviet Union is seeking construction of a special economic zone in Nakhodka.

If the special economic zones are constructed in the border area of the three countries, domestic enterprises are expected to gain easy access to the northern areas, an expert said.

In connection with the construction of the North Korean special economic zone,the government plans to discuss investment guarantees during next inter-Korean talks, the official said.

The international conference in Ulaanbaatar was attended by representatives from South and North Korea, China and Mongolia.

The UNDP, the sole UN organization in Pyongyang, deals with consultations and investment information in developing countries.

Large domestic businesses have been keenly interested in the projected construction of a North Korean special economic zone.

They are currently setting up strategies for investment in the North regarding selection of production items and investment conditions. But most are selecting labor-intensive manufacturing such as petroleum and assembly of electronics goods as promising sectors.

Ship Departs for North With 5,000 Tons of Rice

SK2707050691 Seoul YONHAP in English 0429 GMT 27 Jul 91

[Text] Mokpo, South Korea, July 27 (YONHAP)—South Korea has shipped 5,000 tons of rice to North Korea in the first non-governmental direct barter deal between the two countries in 46 years, opening probably a flood gate for direct inter-Korean trade.

The Grenadian freighter M.V. Condor leased by Samsun Shipping Co. of South Korea embarked on a historic voyage to Najin in the North Saturday morning.

National Unification Board officials and citizens attended a ceremony marking the departure at this port on the southwestern, some 400 kilometers southwest of Seoul. [sentence as received] Participants in the ceremony organized by Cheonji wished the rice would contribute to advancing the reunification of the Korean peninsula.

"The ship would arrive at Najin on Monday as it takes three days to sail to the port. She would return home without carrying North Korean cement and coal," a Samsun official said.

Cheonji Trading Co. of the South and Kumgansan International Trading Co. of the North agreed in March to exchange 100,000 tons of southern rice for northern cement and coal and swap 5,000 tons of rice and 40,000 tons of coal initially.

After many twists and turns, officials of the two companies finally agreed to go ahead with the shipment as planned early in the month, he said.

Price terms for the rice are 9,800 per 40 kilogram, 16,500 cheaper than the prices set by the South Korean Government and the major staple was reaped in Cholla Province in 1988.

NSP Says College Group Follows Kim Il-song

SK2707022191 Seoul YONHAP in English 0118 GMT 27 Jul 91

[Text] Seoul, July 27 (YONHAP)—Chondaehyop, the largest organization of activist collegians in South Korea, has been operated by followers of North Korean president Kim Il-song's chuche (self-reliance) ideology, the Agency for National Security Planning [NSP] announced Friday.

In a report on investigation of Chairman Kim Chong-sik, a Hanyang University senior, and a dozen other leaders of the national alliance of student representatives, the NSP said the body had been practically in the hands of its policy committee whose members are followers of chuche ideology or the "Kim Il-songism."

According to Chong Hyong-kun, chief of the NSP counter-espionage investigation bureau, 81 staffers of Chondaehyop had been put on the wanted list. Two other students, now presumed to be on their way to Pyongyang from Europe, where they stayed recently, will be brought to justice immediately upon returning home, Chong said.

Kim and 11 others have been referred to the prosecution on charges of violating the national security, the law on assembly and demonstration and the criminal law. Chong Mi-yon, a Chonnam National University accounting major, is still under NSP investigation on charges of violating the national security law. Chong was arrested while preparing to leave for Pyongyang, NSP said.

Chondaehyop is an organization of presidents of students bodies at 177 universities and colleges across the country. There are 250 institutes of higher learning in South Korea. Chondaehyop has seven committees but is actually run by the policy committee whose members are soaked in chuche ideology, NSP said.

The NSP said the policy committee had masterminded illegal assemblies and demonstrations of students by working out different tactics in changing circumstances, listening to North Korean radio broadcasts.

The committee has been in close touch with the North Korean students committee and the overseas organizers of a pan-national rally for reunification to "produce a consensus on North Korea's formula to achieve national reunification through a confederation," and sent two students to Berlin to let them go to Pyongyang as Chondaehyop representatives, the NSP said.

The NSP said the committee had also led the "organized, violent demonstration" after the police beating death of collegian Kang Kyong-dae on April 26 by sending Chondaehyop Chairman Kim to a nationwide grouping of 55 dissident organizations.

There are at least 47,000 left-wing students on South Korea's campuses and 11,000 of them are followers of the chuche ideology, the NSP said.

North Korea, where President Kim Il-song has been at the helm from the very start, began to use the term, chuche, in 1955. In 1980, the ruling Workers' (Communist) Party replaced "Marxist-Leninism" in its statute by "the great leader Kim Il-song's chuche, revolutionary idea," according to the South Korean National Unification Board.

Novelist's 1950 Death in North Hospital Confirmed

SK2707015991 Seoul THE KOREA HERALD in English 27 Jul 91 p 9

[Text] The question mark on when and where the late novelist Yi Kwang-su (pen-name Chunwon) died after being abducted to North Korea during the Korean War (1950-1953) has finally been resolved.

Yi, one of the pioneers of modern contemporary literature, died at a North Korean military hospital at the age of 58 in Pyonganpuk-to early December 1950.

He was in the company of North Korean military forces which were forced to the North in the face of a strong counterattack by United Nations forces. He was hospitalized because of serious frostbite in both of his legs but died soon after.

Up till now, the date and place of Yi's death could not be confirmed. Some students of Korean literary history speculated that he might have died of tuberculosis in 1955 in Beijing, while others guessed that he might have been shot to death during the war years.

Those speculations, however, turned out not to be true through revelations by a correspondent to the Soviet Union of the vernacular daily Chungang Daily News. According to the paper's report in the Friday edition, former North Korean writers and officials in the Soviet Union testified that Yi and other abducted intellectuals were taken from Pyongyang towards Kangkye on foot by North Korean troops which were put on a general retreat in October, 1950, following the intervention of the United Nations forces.

But in early December, after some two months of a grueling march under severe cold weather, Yi was exhausted and suffered from serious frostbite. He collapsed with some 30km left to go before reaching Kangkye.

Yi wrote a letter to Hong Myong-hui, a novelist who once worked in Seoul but was at the time a vice premier of the Pyongyang government, asking for help. Hong arranged for Yi to be hospitalized but it was already too late.

According to the daily, the late novelist's third son, Yi Yong-kun, is a nuclear physicist now teaching at Johns Hopkins University in the United States. The son was quoted as having expressed his intention to visit Pyongyang to take back his father's remains, if available.

Chunwon is regarded as one of the founding fathers of modern Korean literature. But his literary achievement has been eclipsed by his close cooperation with the Japanese colonial forces, although it was an enforced one.

Wartime Host Nation Support Pact Viewed

SK2707021191 Seoul THE KOREA HERALD in English 27 Jul 91 p 8

[Editorial, "ROK-U.S. WHNS Accord"]

[Text] The Agreement on Wartime Host Nation Support [WHNS] initialed by defense officials of Korea and the United States in Seoul Thursday has at once settled some important questions and given rise to other technical points at issue in translating the ROK-U.S. military alliance into action.

The necessity of a WHNS accord has been accepted by both sides since it was brought up at the bilateral annual Security Consultative Meeting in 1985. Seoul needs a more specific commitment from the United States of its military aid in case of emergency while Washington also seeks to increase Korea's share of responsibility as host country to U.S. forces.

Under the agreement Korea will provide military and civilian resources and assistance for the reception, onward movement and sustainment of U.S. forces in times of crisis, hostilities, or war on the Peninsula. The obligation on civilian resources to be mobilized is limited by the stipulation that it will be made available only after a national mobilization is declared.

Even though the remaining American troops here will continue to serve as a tripwire to occasion immediate response from the allies, the provisions in the ROK-U.S. Mutual Security Treaty and the WHNS are not explicit or strong enough to match their counterparts of North Atlantic Treaty Organization members.

The current WHNS document reads that the United States plans to provide units to reinforce South Korea in the event of external armed attack. The highly general phrasing of the clause could turn out to be a serious handicap in the rapid deployment of U.S. forces. Military specialists are worried about the kind of delay that took almost several months in the case of the Gulf war.

Further definitions of the concept of emergency and the mobilizable resources await to be hammered out. Differences and misgivings on these points should be cleared in the interest of better cooperation. This and other related accords will be effective as long as the two allies maintain staunch consensus and commitment to joint defense.

Trade, Tourism Delegates To Visit China 9 Aug

SK2907035091 Seoul YONHAP in English 0140 GMT 29 Jul 91

[Text] Seoul, July 29 (OANA-YONHAP)—Two high-powered trade and tourism delegations will visit China next month amid indications that establishment of diplomatic relations between South Korea and China are not far away.

The Korea Foreign Trade Association will send a 22-member delegation to be led by its President Pak Yong-hak to Beijing on Aug. 9.

During their 17-day visit until Aug. 25, the team, comprising four association officials and representatives from 18 companies, will meet senior Chinese Government officials and working-level officials for economic and trade policies to discuss bilateral trade, joint development of natural resources and investment cooperation.

It will also take up the issue of the recent dumping of Chinese textile products on the Korean market, association officials said Monday.

The visit, which follows the visit of a business delegation led by Chong Chu-yong, founder and honorary chairman of the Hyundai Group, was arranged at the invitation of Zheng Hongye, chairman of the China Council for Promotion of International Trade (CCPIT).

President Cho Yong-kil of the Korea National Tourism Corp. (KNTC) will visit Beijing for eight days from Aug. 7 at the invitation of Lu Fenyen, president of the China International Travel Service.

Cho will discuss the promotion of cooperation in the field of tourism and discuss establishment of a tourism consultation body between the two countries with Lu.

Trade industry sources said bilateral relations have not been excellent early this year despite the establishment of a trade representative office in each other's capital and that the recent moves of expanding the exchanges support the rumor of the normalization of formal ties within the year.

Hyundai's Chong also expressed a view that the Seoul-Beijing relations will be normalized "within the year or during the first half of next year, at the latest."

Chong said in a press conference Saturday that Chinese officials indicated that the establishment of Seoul-Beijing relations "is a matter of time."

South Korea exported goods worth 303.68 million U.S. dollars to China in the first five months of this year while its imports reached 1,177.68 million dollars.

The export in the January-May period represented a growth of 47.7 percent and the import 56.8 percent from the same period last year.

Korean companies have invested 104 million dollars in 96 projects in China as of May while five Chinese companies extended their business to Korea.

'Tycoon' Meets PRC Officials, Cites Proposals

SK2607134691 Seoul YONHAP in English 1326 GMT 26 Jul 91

[Text] Seoul, July 26 (OANA-YONHAP)—China proposed building a common trade market with China, South and North Korea and the Soviet Union, Chong Chu-yong, honorary chairman of the Hyundai Business Group, said upon arrival from Beijing Friday.

Chinese Vice Premier Tian Jiyun made the proposal for the market, Chong said, to be built in Hunchun of Jilin Province. The vice premier strongly hinted that it will be established within this year, he said.

The business tycoon, who made the first headway in trade with the Soviet Union, visited China leading a 63-member private delegation.

The common market, once formed, will contribute greatly to opening inter-Korean trade channel, he said.

He quoted Vice Premiers Tian Jiyun, Zou Jiahua and other Chinese officials as saying that Seoul-Beijing diplomatic normalization will be "realized naturally when the time is ripe."

The South Korean delegates urged that China, a permanent member of the United Nations Security Council, not discriminate between South and North Korea. When they suggested that South and North Korea's admission to the United Nations this September is the appropriate time for the normalization, the Chinese officials neither agreed nor disagreed, Chong said.

He personally predicted that the two countries will establish formal ties within first half of next year at the latest.

The Chinese side requested on numerous occasions large-scale investment from South Korea, especially in compact cars industry, but Chong said such active investment will have to wait until diplomatic normalization.

He said Vice Premier Zou Jiahua promised to reply soon on his proposal to establish a South Korea-China friendship association.

Agreement Made for Aviation Talks in Mongolia

SK2707095291 Seoul YONHAP in English 0300 GMT 27 Jul 91

[Text] Seoul, July 27 (YONHAP)—South Korea and Mongolia will hold talks aimed at concluding a bilateral aviation pact in Ulaanbatar, Mongolia, in September, the Transportation Ministry said Friday.

The agreement was made during a meeting here between Chang Po-si, director general of the Ministry's Aviation Affairs Bureau, and Ts Ayurzana [name as received], director general of the Mongolian Civil Aviation Authority and president of Mongolian Airlines Miat, a spokesman for the Ministry said.

The Mongolian side voiced the hope that the proposed aviation pact to become effective within the year, to which the Korean side responded positively, the spokesman said.

Korea hopes to open a Seoul-Beijing-Ulaanbatar route that would shorten the flying time by two hours between Seoul-Moscow-Europe compared with the present route linking Seoul, Khabarovsk, Moscow with Europe.

The plan, however, has seen little progress due to lack of aviation accord between South Korea and China. Seoul and Beijing have no diplomatic ties.

Two Kim's Have Different Ideas on Major Issues

SK2807061691 Seoul YONHAP in English 0548 GMT 28 Jul 91

[Text] Cheju, South Korea, July 28 (YONHAP)—Kim Yong-sam, executive chairman of the ruling Demoratic Liberal Party (DLP) reaffirmed on Sunday his unequivocal objection to amending the Constitution in favor of parliamentary system of government under any circumstances when he met with party Chairman Kim Chong-pil on this southernmost resort island of Cheju.

Kim Chong-pil told the DLP No. 2 man that a constitutional revision would deserve deliberation in accordance with changes in the political situation, a party official close to the meeting said on condition of anomymity.

The duo discussed the political timetable for next year including a party convention and constituencies for general elections but only to find differences of understanding on major issues, he said.

Kim Yong-sam, a self-claimed lifetime presidential hopeful, favored the existing parliamentary electoral system based on single-seat constituencies to garner a majority of seats, saying that multiple-seat constituencies would split the party.

The other Kim said multiple-seat constituencies should be included in bargaining chips for negotiations with opposition camps to carry out elections on a shoestring and forge a national harmony.

The executive chairman suggested that a party convention be held in January or February to nominate candidates for parliamentarian, gubernatorial and presidential elections while Kim Chong-pil saw it desirable to fix the date in compliance with the party regulations and the will of President No Tae-u.

Meanwhile, Kim Yong-sam is expected to meet with Sports and Youth Minister Pak Chol-on on Monday who is staying at the same hotel. Kim and Pak have never mixed well.

NDP 'Internal Feud' With Factions Continues

SK2707100291 Seoul YONHAP in English 0845 GMT 27 Jul 91

[By Kim Tae-sik: "NDP Mainstreamers Demand Cho Yun-hyong Apologize"—YONHAP headline]

[Text] Seoul, July 27 (OANA-YONHAP)—The opposition New Democratic Party's [NDP's] internal feud between the mainstreamers and a minority faction over allegations of corruption involving party leadership shows no signs of subsiding despite the party's decision to delay punishing the mavericks involved until Monday [29 July].

A party official said a meeting Saturday of the party's disciplinary committee failed to decide punitive measures to be taken for Reps. Cho Yun-hyong and Yi

Pyong-pae because the two did not show up at the meeting. He said the committee will meet again on Monday to settle the issue.

The committee meeting was to discuss disciplinary actions which the NDP lawmakers loyal to party President Kim Tae-chung demanded in a caucus Friday. The party leadership was also to discuss ways to castrate "political development research club," an intra-party grouping of progressive party members championing NDP's unity with other opposition parties.

The club is membered by a dozen young incumbent and former assemblymen and, among them, Cho and Yi, who leaked to the press what they told Kim in a closed meeting on Sunday in a breach of a promise to keep it confidential, are the key targets of the attack.

The mainstreamers demanded that Cho, a former National Assembly vice speaker who leads the non-mainstream group, make an apology but Cho refused to report to the disciplinary committee, in an open show of his detestation of the party leadership.

NDP leaders, including President Kim, agreed in a meeting of Supreme Council Saturday on the need to take stern punitive measures against the mavericks.

Saturday's decision to delay the punishment, despite its being a carefully designed move to give more time to the two culprits, seems far from being a repose for the party dissidents.

The disciplinary committee members are determined to deprive the two of their party membership right away if they again failed to turn themselves in at its Monday meeting.

Cho was charged with "damaging the interests of the party" for his telling a newspaper Thursday [25 July] that it is an "open secret" that Kim Tae-chung's confidants received 300 million won (411,000 U.S. dollars) from Cho Chan-hyong, an NDP lawmaker elected at Namwon, North Cholla Province, for a party nomination in the 1988 parliamentary elections.

Cho would otherwise have been dropped from the list of the party nominees for the elections, claimed Cho, who then served as Kim's secretary general.

The disciplinary committee decided Saturday to form a subcommittee to investigate into Cho's remarks.

Meanwhile, Cho told reporters he would leave the party if the disciplinary committee would try to punish him.

On the disbandment of the mavericks' club, the NDP leadership took a flexible attitude that the decision to disband it can be withdrawn on condition that its members offer proper explanations and apology.

The minority faction, however, is very adamant and that they will follow cho, indicating the possibility of en masse secession from the party when the mainstreamers oust Cho.

The minority faction was formally organized in July by young party reformists who think the party's excessive dependence on Kim's charisma and its exclusive dominance of Cholla Provinces were the main reasons behind the party's devastating defeats in other provinces in the June 20 local elections.

APEC Meeting Scheduled at Kyongju 27-28 Aug

SK2907044991 Seoul YONHAP in English 0257 GMT 29 Jul 91

[Text] Seoul, July 29 (OANA-YONHAP)—Senior officials from members of the Asia-Pacific Economic Cooperation (APEC) will meet at Korea's southeastern city of Kyongju Aug. 27-28 to discuss adoption of basic documents on the regional body, the Foreign Ministry said Monday.

On the agenda of the meeting to be attended by vice minister-level officials from 12 member nations will be APEC's charter and declaration drafted by South Korea, the Ministry said. The documents will be submitted to APEC ministerial meeting scheduled for November in Seoul.

South Korea, during the post-ministerial conference of the Association of Southeast Asian Nations in Kuala Lumpur last week, reached a near consensus with APEC members on adopting them at the Seoul meeting.

During the Kyongju meeting, participants will also discuss the possibility of establishing a special committee for more effective operation of APEC as well as deciding on the admission to the regional body of the "three Chinas,"—China, Taiwan and Hong Kong—the Ministry said.

Minister Views Settlement of Uruguay Round

SK2907035191 Seoul YONHAP in English 0228 GMT 29 Jul 91

[Text] Seoul, July 29 (YONHAP)—The government will try to secure sufficient reprieve in preparation for the opening of agricultural and service markets so that it would not damage the domestic industry seriously, Trade and Industry Minister Yi Pong-so said Sunday.

In a seminar sponsored by the Federation of Korean Industries at Cheju Island, Yi said the government will make effort for a satisfactory settlement of the Uruguay Round of multilateral trade negotiations to avoid bilateral trade pressures and to expand its overseas markets.

It also will work out measures to enhance competitiveness of Korean industries such as agriculture and textile industries and revise relevant laws.

Yi said it was widely believed that the Uruguay Round negotiations would be settled in February or March next year, given various international conditions, and that discussion will also be made on it during the ministerial conference of the Asia-Pacific Economic Cooperation (APEC) in November in Seoul.

Bank of Korea Spawns Economic Policymakers

SK2707023891 Seoul BUSINESS TIMES in English 24 Jul 91 p 4

[Text] The Research Department of the Bank of Korea (BOK) has produced a large proportion of Korea's economic and financial elite over the past 40 years since its founding in 1950. According to some observers, this is due to the BOK's stubborn philosophy of basing its economic theories solidly on economic realities.

Alumni of the BOK's research division now and in the past have formed an extensive human network encompassing key figures not only in the banking community, but also in the bureaucracy, the academic world and in economic research institutes.

Old boys of the central bank's research teams do not exhibit the exclusive or elitist tendencies of some the country's other power groups. Rather, the BOK old boys have tended to emerge as individuals capable of translating their research on macro-and micro-economies into policies.

Government of officials have little time for research as they have to contend with economic issues of a pressing nature. Professors, on the other hand, normally devote themselves to pure research. Finding a middle ground, researchers and economists at the BOK have demonstrated an ability to shuttle between theory and reality to form a unique human resource group.

Many of them moved on to promotions such as governor of the central bank and to a variety of key roles in other government departments, as Korea's rapid economic expansion has made huge demands on the BOK's pool of trained economists and analysts.

Chang Ki-yong, for example, left the bank's research division to become deputy governor of the BOK and later served as the country's vice deputy-premier and economic planning minister. Yu Chang-sun and Sin Hyon-hwak, both former chiefs of the bank's research departments in the 1950s, later both filled posts as BOK governor and then took government appointments as premier and deputy premier.

Kim Chong-yom, who transferred to the Finance ministry in 1959 from his post as deputy chief of the BOK's Research Department, served as finance minister and as chief secretary to late president Pak Chong-hui. He played a key role in setting the direction of the nation's economic policy.

Other BOK alumni who have not moved to government posts, have nonetheless actively participated in formulating the government's economic development policies. Such former BOK staffers as Pak Sung-sang (former head of the Korea Institute for Economics and Technology), An Sang-kuk (president of First Securities Co.), Ko Kwang-chik (president of Chonpuk Bank) and Yi Kyong-sik (president of Korea Gas Corp.) all contributed to the formulation of Korea's early economic development policies under Pak Chong-hui.

Many of those who left the bank's research department for overseas study, also subsequently became influential figures in the government and the political community.

Prime examples include Nam Tok-u (former premier), Na Ung-pae (former deputy premier) and the late Kim Chae-ik (former economic advisor to president Chon Tu-hwan). Nam Tok-u served variously as finance minister, commerce and industry minister and deputy-premier after returning from studies in the U.S. Nam had spent two years at the BOK Research Department. Na and Kim distinguished themselves by scoring the top marks at their BOK entry examinations, back in 1957 and 1960 respectively.

BOK research department old boys have also played a key role in steering the Korean banking community, some of them becoming bank presidents. A few eventually left the banking scene because they could not make a swift adaptation to commercial banking.

Many, however, were instrumental in promoting the development of the Korean banking industry. Prominent former BOK researchers now in the banking community are Chon Yong-su, president of the Korea Housing Bank; Kim Chae-yun, chairman of the Shinhan Bank, Yi Sang-kun, president of the KorAm Bank, Yi Sang-ho, president of the Kyonggi Bank and Yi Chang-su, president of the Korea Financial Telecommunication & Clearing Institute.

Kim Kun, governor of the Bank of Korea and Hwang Chang-ki, superintendent of the Office of Bank Supervision and Examination, are also BOK Research Department alumni.

Some BOK old boys are currently serving at private economic research institutes. They include Yim Tong-song, president of the Samsung Research Institute; Ku Suk-mo, chief of the research institute affiliated with the Federation of Korean Industries; Kim Chung-ung, president of the National Information & Credit Evaluation Inc., O Tong-wi, president of the Ssangyong Research Institute, No Sung-tae, president of the First Securities Institute and Chu Sung-hui, senior research fellow at the state-funded Korea Development Institute.

Recently, many critics are complaining that the central bank's research department has not been living up to is past standards. Such criticism comes not from outside but within the bank. New recruits to the central bank are apparently reluctant to toil away on burdensome research, but would rather work with international finance departments in keeping with changing economic realities.

Government Economic Statistics Available on PC's

SK2807010491 Seoul THE KOREA TIMES in English 28 Jul 91 p 8

[Text] Publications on economic policies and statistics released by 13 government economic agencies will be available through personal computers, starting in October, the Economic Planning Board [EPB] said yesterday.

A spokesman said the Economic Planning Board has operated an economic information center since July 27 last year at the Integrated Government's Building Complex in Kwachon, Kyonggi-to to help businessmen and the people understand and utilize government economic policies and statistics.

But so far visitors have been able to get publications at the center and some 8,000 dignitaries have received them through direct mailing service.

To help more people get the information, the EPB plans to provide the information through a value-added network [VAN]. All the personal computer operators joining 15 private VAN companies will be able to get the economic information at home and offices from October, the spokesman said.

He said the government will operate a management council composed of 15 VAN operators, officials of EPB and the state-run National Institute for Economic System and Information for the service.

The EPB also plans to distribute the subjects on economic policies and statistics released by economic agencies to journalists and broadcasting reporters who want the material every day through facsimile from early next month.

As of July 24, a total of 8,855 people had been supplied 18,097 economic publications and clients have increased from 20 at the opening to 50 a day.

Half of the total users were businessmen, 11.6 percent were public servants, 7.2 percent were professors and researchers, 6.8 percent were financiers and 5.7 percent were journalists.

Government To Regulate Concentration of Business

SK2607123391 Seoul YONHAP in English 1029 GMT 26 Jul 91

[Text] Seoul, July 26 (OANA-YONHAP)—The government will regulate mutual payment guarantees between and among companies affiliated with the same business group and impose heavy taxes on transactions inside a group in an effort to ease concentration of businesses.

It also plans to strengthen fair transaction systems to control unfair transactions that may be sought by big business companies in their deals with small and subcontractor companies and strengthen the application of inheritance and donation taxes.

Deputy Prime Minister Choe Kak-kyu said in a lecture that the problem of business concentration cannot be solved by shock treatments or regulations but should be solved with businesses' self-reliant efforts to renovate themselves.

The government will place emphasis on strengthening fair transaction systems and improve taxational and financial systems to facilitate the easing of the business concentration on a few conglomerates, Choe, concurrently minister of the Economic Planning Board, said in a seminar hosted by the Federation of Korean Industries (FKI) at Cheju Island.

Choe advised business groups to reconsider existing system of borrowing with payment guarantees by sister companies, he said.

Financial organizations should correct their wrong practices of requesting payment guarantees by companies affiliated in the same group, he added.

Choe said that business groups should change their practices of managing subsidiary companies under central control to allow individual companies to develop their independence and specialty.

The top economic official said that large businesses should develop partnership with small-and medium-sized companies by providing them with technology guidance and market information.

He noted that the concentration of businesses on the 30 largest groups is much heavier than in the United States and Japan and only 30 percent of the affiliated groups have gone public.

Such a high concentration of ownership will make it harder for the groups to continuously increase their paid-in capitals, he said.

Record Trade Deficit of Millions Posted in Jun

SK2707094391 Seoul YONHAP in English 0410 GMT 27 Jul 91

[Text] Seoul, July 27 (YONHAP)—South Korea recorded a trade deficit of 97 million U.S. dollars in June, the lowest this year, the Office of National Customs Administration said Saturday.

Exports reached 6,496 million U.S. dollars in June, up 14.1 percent from the same month last year, while imports totaled 6,593 million dollars, up 20.6 percent in the same period.

The monthly trade deficits have been over 1 billion dollars until April and went down below the 1 billion dollar-level in May to 785 million dollars.

Exports of raw materials and fuel rose 128 percent from the same month last year while those of petrochemicals grew 34 percent, electronics by 23.1 percent and cars by 21.3 percent, according to the office.

Imports of steel products surged 63.6 percent while those of fuel and electric and electronic devices by 47.8 percent and 36.6 percent, respectively.

Brunei, Malaysia & Singapore

Malaysia

No Need for Military Base in Southeast Asia

BK2807094491 Kuala Lumpur Voice of Malaysia in English 0800 GMT 28 Jul 91

[Text] Defense Minister Datuk Sri Najib Tun Razak today reiterated Malaysia's firm stand not to allow any foreign military bases to be set up within the country. Malaysia feels that the Southeast Asian region itself does not need such a base. This is because the mechanism and the cooperation that the countries have established within the region and with other nations are already sufficient to guarantee peace and stability in the region. These include the zone of peace, freedom, and neutrality concept agreed to by the Association of Southeast Nations or ASEAN, and the Five Power Defense Arrangement among Malaysia, Singapore, Britain, Australia, and New Zealand.

Datuk Sri Najib however, said that Malaysia would respect whatever decision taken by neighboring countries concerning military bases. He was commenting on the statement of U.S. Pacific Commander-in-Chief Admiral Charles Larson.

The U.S. general was quoted by a report in Singapore as saying that the U.S. was holding talks with Southeast Asian countries to find alternative training arrangements for the American and allied forces in the region.

Datuk Sri Najib said that having a foreign military base in Malaysia would only cause the rift between not only the superpowers but also regional powers to gain control over the region.

Mahathir: Australian Press Freedom Unacceptable

BK2707090791 Kuala Lumpur BERNAMA in English 0847 GMT 27 Jul 91

[Text] Kuala Lumpur, July 27 (OANA-BERNAMA)—Prime Minister Dr. Mahathir Mohamed said Saturday that Malaysia cannot accept the kind of press freedom practised in Australia where the press are free to come up with all sorts of lies.

He said that he had conveyed this to Australian Foreign Minister Senator Gareth Evans who called on him while here to attend the ASEAN foreign ministers post-ministerial meeting which ended on Tuesday.

In Australia, press freedom stretches beyond normal freedom whereby the press was free to come up with all sorts of lies, he added.

In this respect, the prime minister also stated that the government of that country should not perpetuate such reasoning.

Malaysia is of the opinion that press freedom did not mean the press was free to undermine others but to publish truthful reports, he said.

Preparatory Meeting Opens for ASEAN Ministers

BK2907093391 Kuala Lumpur BERNAMA in English 0827 GMT 29 Jul 91

[Text] Kuala Lumpur, July 29 (OANA-BERNAMA)—ASEAN information senior officials began meeting here Monday to prepare for the second biennial ASEAN information ministers conference for two days from Thursday.

Information Ministry Secretary General Dr. Mazlan Ahmad is chairing the two-day meeting, attended by officials from all the six ASEAN member countries—Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

A spokesman of the meeting's secretariat said the closed-door meeting would finalise the agenda of the conference.

It would also discuss measures to step up cooperation among the print media of the regional grouping, and ways to enhance cooperation in the fields of television, film and video, he said.

Prime Minister Dr. Mahathir Mohamed is expected to open the conference.

The spokesman said the conference was a forum to forge understanding and step up cooperation among ASEAN countries in the fields of radio, television, film, video, and the print media through news agencies.

The decisions reached at the conference would be implemented by the ASEAN Committee on Culture and Information (COCI).

The inaugural conference of the ASEAN information ministers was held in Jakarta in May 1989.

Chinese Association's Assembly Issues Resolutions

BK2907064691 Kuala Lumpur Voice of Malaysia in English 0600 GMT 29 Jul 91

[Text] The Malaysian Chinese Association, MCA, has called for an overall action plan to ensure full participation of the Chinese community in making Malaysia a developed country by 2020. This was one of the seven resolutions passed at the party's 38th general assembly yesterday. The MCA is a member of the ruling Barisan Nasional [National Front] coalition. Other resolutions adopted at the assembly touched on the economy, education, culture, religion, government posts, and agriculture.

On the economy, the assembly urged the party to set up a high-level committee to help MCA cabinet ministers to implement policies outlined under the National Development Policy.

On education, among others, it asked the government to enhance the standards of education in Chinese schools.

Working Group Established To Discuss Islands

BK2707081791 Kuala Lumpur BERNAMA in English 0753 GMT 27 Jul 91

[Text] Kuala Lumpur, July 27 (OANA-BERNAMA)—A working group will be set up under the newly established Malaysia-Indonesia joint commission to discuss Indonesia's claim to the Sipadan and Ligitan islands off the East Malaysian Sabah State, Malaysian Foreign Ministry Secretary General Ahmad Kamil Jaafar said Saturday. The commission would hold its inaugural meeting here on a date yet to be set, he added.

The working group will look deeper into the issue of the islands, he told reporters after signing an agreement with Japan on grants to supply audiovisual equipment to the Education Ministry and the National Library here.

Malaysia and Indonesia formally agreed to establish the joint commission here last Saturday. Indonesia is the second ASEAN country after Thailand with which Malaysia has established a joint commission.

Ahmad Kamil said Malaysia and Indonesia enjoyed excellent relations and both countries were keen to resolve the issue because "we do not want anything to undermine the excellence of our relations".

Referring to the visit of Malaysian Deputy Prime Minister Ghafar Baba to Indonesia Friday, Ahmad Kamil said Malaysia had thanked Indonesia for its "positive attitude" towards the proposed East Asia Economic Group (EAEG).

Ghafar had handed to Indonesian President Suharto a letter, the contents of which had not been revealed, from Malaysian Prime Minister Dr. Mahathir Mohamed.

Ahmad Kamil said Ghafar's visit was also aimed at giving President Suharto an assurance that Malaysia was ready to talk on the islands' issue.

Mahathir Discusses Relations With Australia

BK2707071491 Kuala Lumpur Voice of Malaysia in English 0800 GMT 27 Jul 91

[Text] The prime minister said Malaysia would adopt a "wait and see" attitude with regard to its relations with Australia.

Datuk Sri Dr. Mahathir Mohamed said this in response to questions by newsmen in Kuala Lumpur. He was asked to comment regarding a statement by the Australian foreign minister, Gareth Evans, in Singapore. Mr. Evans had said that bilateral relations between Australia and Malaysia were back to normal.

Dr. Mahathir said that he will have to wait for reactions from both sides regarding the matter. Asked if relations were really back to normal, the prime minister said, "I suppose so."

National Front Candidate Wins Assembly Seat

BK2707141091 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 27 Jul 91

[Text] The Barisan Nasional [National Front] candidate, Encik [Mr.] V. Mutusamy, has won the state assembly seat for Prai. He defeated the DAP [Democratic Action Party] candidate, Encik Karpal Singh. Encik Mutusamy polled 5,182 votes as against Encik Karpal Singh's 4,320. The independent candidate, Encik I. Muniandy who withdrew his candidacy earlier received 15 votes. Out of a total of 9,620 votes, 103 were spoiled. The percentage of voter turnout was placed at 68.26.

Singapore

President Wee Kim Wee Views Indonesian Visit

BK2807122791 Singapore Singapore Broadcasting Corporation in English 1100 GMT 28 Jul 91

[Text] President Wee Kim Wee says his five-day state visit to Indonesia has been a success. He has achieved the main purpose of the visit—that is, to strengthen the existing bonds of friendship between the two countries.

President Wee was speaking to Singapore journalists on the final day of his visit in Bali. He said the highlight of his visit was the talks held with President Suharto in Jakarta. Their discussions covered a wide range of issues—the situation in Southeast Asia, the end of the cold war, and the end of the Gulf war. Particular emphasis was placed on how President Suharto [words indistinct] affecting Southeast Asia in the immediate and medium terms. President Wee said the Indonesian leader stressed ASEAN should face these challenges collectively. President Wee and his Singapore delegation returned home this evening.

Giving further details of the talks to the Singapore ambassador to Indonesia, Mr. Barry Desker, he said President Suharto was keen on developing new (?efforts) to expand economic cooperation. President Suharto's view is that cooperation [words indistinct]. Mr. Desker said President Suharto stressed that ASEAN should work collectively to keep world trade moving freely. Other topics discussed include the Growth Triangle concept, developments in Cambodia, and the security of Southeast Asia.

Cambodia

Chea Sim Reportedly Stages Coup Against Hun Sen

KYODO on Coup Attempt

OW2707105391 Tokyo KYODO in English 1027 GMT 27 Jul 91

[Text] Hanoi, July 27 KYODO—Chea Sim, powerful chairman of Cambodia's National Assembly, has staged a military coup against the government of Prime Minister Hun Sen, informed Vietnamese sources said Saturday.

According to the sources, fierce shooting between the government troops and forces led by Chea Sim is going on in the Cambodian capital of Phnom Penh.

However, the Cambodian Embassy in Hanoi categorically denied a report that a military coup attempt has taken place in Phnom Penh on Saturday.

Coup Reports Denied

OW2707153691 Tokyo KYODO in English 1456 GMT 27 Jul 91

[Text] Hanoi, July 27 KYODO—The Cambodian Government and resistance factions, Chinese and Western sources have all denied a report of an alleged coup attempt Saturday against the Hun Sen government by forces loyal to Chea Sim, chairman of the National Assembly.

The Cambodian Embassy in Hanoi denied a KYODO NEWS SERVICE report of an alleged coup attempt in Phnom Penh against Prime Minister Hun Sen and fierce fighting between government and insurgent troops.

Earlier in the day, informed Vietnamese sources told KYODO a coup attempt led by Chea Sim, who is viewed as a leader of conservative forces in the Vietnamese-installed Phnom Penh government, took place in the Cambodian capital.

However, several Western diplomatic sources in Hanoi also said they have not heard of a coup attempt by Chea Sim.

In Beijing, the Chinese Foreign Ministry told KYODO it has not received any report on a coup.

In Bangkok, officials of the Son Sann faction, the non-communist Cambodian guerrilla group, also denied a coup report, saying Phnom Penh radio is broadcasting ordinary programs and they have not obtained any information on a military revolt.

Fumiko Kudo, a Japanese volunteer in Phnom Penh, said in a telephone interview from Tokyo that the atmosphere around the Defense Ministry, the National Assembly, and the prime minister's office buildings was calm Saturday evening, and radio and television stations are broadcasting normal programs.

Hun Sen, known as a reformist among Phnom Penh leaders, visited Beijing last week for the first time and attended a two-day unofficial meeting of the Supreme National Council (SNC) to promote a peace process to end a decade-old civil war.

Hun Sen also visited North Korea and returned home Wednesday via Beijing.

Chea Sim has reportedly criticized Hun Sen, saying he has made too many concessions at the Cambodian peace talks.

During the peace talks in late June in Phatthaya, Thailand, the four warring Cambodian factions—the Phnom Penh government and the tripartite guerrilla coalition—resolved disputes over the structure of the SNC, the 12-member Cambodian reconciliation body, and negotiations over a U.N. peace plan.

Under the U.N. plan, the SNC represents Cambodian sovereignty and would help guide the nation during the period before supervised elections. The Phnom Penh government would continue running the country under extensive U.N. supervision.

Ministries Remain Open

BK2707133891 Hong Kong AFP in English 1326 GMT 27 Jul 91

[Text] Phnom Penh, July 27 (AFP)—Ministries and public offices remained open all day Saturday and hardly a soldier was to be seen in the Cambodian capital as officials firmly denied coup reports.

Deputy Foreign Minister Sok An said the reports from Japan's KYODO NEWS AGENCY Saturday were "false information," and ministry spokesman Chum Bunrong dismissed them as "speculation."

In Thailand however, a senior guerrilla official at the border said Saturday that Cambodian Prime Minister Hun Sen had survived a coup attempt against him by deputy leader Chea Sim.

Khmer's People National Liberation Front (KPNLF)'s spokesman Ok Serei Spheak said the "limited coup" took place Wednesday in Phnom Penh where there was fighting between troops loyal to Hun Sen and others backing National Assembly Chairman Chea Sim.

"We have reasons to think that there was some attempt against Hun Sen. Troops loyal to him fought back, now they are settling it between them," Mr. Ok Serei Sopheak said, adding that his information came from his intelligence network in Phnom Penh.

He said the network gave no details, and that other intelligence sources were unable to confirm any coup attempt or fighting.

"Nobody knows for sure. It seemed that nothing in Phnom Penh has changed yet. How many casualties, who, where, this are questions we don't have answers to," Mr. Ok Serei Sopheak said.

In Phnom Penh, a tour of the city saw life buzzing along as usual with markets doing a roaring trade, cars and cycles vying for space on the busy streets and hardly a soldier in sight.

Trainee policemen practised marshalling traffic in the city centre while the Defence Ministry and Council of Ministers building were not very busy.

When asked about the reports, an official at the Council of Ministers said, "there's certainly been an electricity coup d'etat" in a reference to power cuts due to fuel shortages.

There was no sound of gunfire or explosions all day although soldiers quite often loose off their weapons for the flimsiest of reasons.

All government ministries remained open alongside offices such as Air Kampuchea and the national news agency SPK, but most embassies were closed.

Report on Coup Rumor Source

BK2807003291 Bangkok BANGKOK POST in English 28 Jul 91 p 1

[Text] Senior Phnom Penh officials yesterday denied reports that a coup d'etat had been attempted in the Cambodian capital.

Deputy Foreign Minister Sok An said the reports from Japan's KYODO News agency yesterday were "false information," and ministry spokesman Chum Bunrong dismissed them as "speculation," AFP reported.

An informed resistance source told the BANGKOK POST last night that an intelligence operative had reported gunfire in certain sections of Phnom Penh on Wednesday morning.

The report reached the Thai-Cambodian border on Thursday.

The intelligence operative did not witness the fighting or see tanks or armoured pesonnel carriers in the City although he believed certain sections of the city were blocked off, the source said.

Rumours had spread in the Cambodian capital on Wednesday that military elements loyal to National Assembly Chairman Chea Sim had tried to stage a limited coup against Prime Minister Hun Sen, the intelligence report said.

It was rumoured that Mr Chea Sim was unhappy with the fact that Mr Hun Sen and Prince Norodom Sihanouk had managed to reach various agreements regarding a resolution of the Cambodian conflict and there were fears that Mr Hun Sen's position in the government would be strengthened as a result, the source said.

The source said that the reports could not be confirmed since the operative did not witness any fighting although rumours abounded in the capital.

Reports of the coup rumours prompted a number of embassy officials to try to confirm the report.

AFP reported that ministries and public offices remained open all day and hardly a soldier was to be seen in the Cambodian capital.

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"There's certainly been an electricity coup d'etat," in a reference to power cuts and to fuel shortages.

There was no sound of gunfire or explosions all day although soldiers quite often loose off their weapons for the flimsiest of reasons.

All government ministries remained open alongside offices such as Air Kampuchea and the national news agency SPK, but most embassies were closed.

Reactions to SNC's Beijing Session Viewed

Sihanouk Sends Thanks

BK2707134891 Phnom Penh SPK in English 1128 GMT 27 Jul 91

[Text] Phnom Penh SPK July 27th—Prince Norodom Sihanouk expressed profound thanks to Cambodian President Heng Samrin and National Assemly Chairman Chea Sim for their congratulations after he was elected as chairman of the Supreme National Council.

In a reply to President Heng Samrin and Chairman Chea Sim's message of July 19, 1991 Prince Sihanouk said:

"I cordially thank you for having assured me that you will do your utmost to facilitate to the maximum level my work in Cambodia.

"I hope that our fraternal friendship and cooperation will develop every month and every year for the well-being of our respected motherland and beloved people of Cambodia".

Paper Commentary Cited

BK2707062591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 26 Jul 91

[PRACHEACHON commentary: "We Welcome the Major Decisions by the Five Permanent Members on the Cambodian Problem"]

[Text] Recently, after ending their two-day meeting in Beijing, representatives of the five permanent members of the UN Security Council—China, the Soviet Union, France, the United States, and Britain—and representatives of the cochairmen of the Paris International Conference on Cambodia [PICC] adopted a resolution on the Cambodian problem saying that the five major powers no longer demand the dissolution of the army of the State of Cambodia's Government prior to elections.

This is a correct and significant resolution to break the deadlock on the military issue, which is the most basic issue among all the remaining ones, in the search for a political solution to the Cambodian problem. In the past as in the present, the State of Cambodia many times specified that amendments should be made to the 26 November 1990 UN draft agreement on the three basic issues. These issues prevent the genocidal Pol Pot regime's return, maintain the political and military status quo, and maintain Cambodia's independence and sovereignty—with the maintainance of the political and military status quo the most important key issue for guaranteeing the other two issues.

The recent agreement among the Cambodian parties in Phatthaya and Beijing dealt with many key issues, such as the acceptance of a cease-fire and the cessation of foreign military aid under international control, as well as the withdrawal of Samdech Sihanouk from the genocidal alliance and all political parties. This, combined with the recent resolutions on the Cambodian problem by the representatives of the five major countries and the representatives of the PICC cochairmen, is certainly leading toward a positive result in the search for a peaceful solution in Cambodia based on justice, truth, and realism—namely the fact that the State of Cambodia is administering nearly 100 percent of the Cambodian territory and the Cambodian people.

It should be specified that maintaining the political and military status quo of the Cambodian parties during the transitional period, before the elections and before a new government is elected, not only ensures safety and social order but is also the most concrete measure to prevent the genocidal Pol Pot regime's return.

Thus, the resolution of the five major powers' representatives and the PICC cochairmen's representatives is certainly an active contribution to the process toward finding a political solution to the Cambodian problem and will certainly make the national and international public, who are following the Cambodian problem, realize that these changes are providing hope and will certainly promote real progress at the Cambodian Supreme National Council's meeting in Bangkok in August.

We welcome this new and major resolution of the five major powers' representatives and the PICC cochairmen's representatives on the Cambodian problem and consider that this is an active contribution of the five major powers. We also appeal to the five major powers, the PICC cochairmen, and the UN secretary general to hasten their continued efforts aimed at contributing whatever they can to end the war of bloodshed and to quickly build a lasting peace in Cambodia.

Chea Sim Receives SRV, Lao Delegations 26 Jul

BK2807074691 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 28 Jul 91

[Text] Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of both the National Assembly and the Kampuchean United Front for National Construction and Defense National Council, received a delegation from the Vietnamese Information Ministry led by Comrade Tran Hoan, member of the party Central Committee and minister of information and tourism of the SRV, on the morning of 26 July at the Chamka Mon state palace.

On this occasion, Comrade Chea Sim informed the delegation about the current development of the State of Cambodia and the stance of the State of Cambodia's Government in the search for a solution to the Cambodian problem. Comrade Chea Sim stressed that the State of Cambodia is optimistic about the progress with positive results of the efforts to find peace through political means on the Cambodian problem.

Replying, Comrade Tran Hoan welcomed the efforts of the State of Cambodia's Government to bring genuine peace to the people. The comrade also stressed the desire to expand relations between Vietnam and Cambodia in the field of tourism.

On the same morning, Comrade Chea Sim also received the central delegation of the Lao-Cambodian Friendship Association, led by Comrade Khamphan Vilachit, deputy director of the Social Science Institute of the Lao People's Democratic Republic and chairman of the Lao-Cambodian Friendship Association; and the delegation of the Vientiane City front led by Comrade Channong Inthavong, chairman of the Lao Front Committee for National Construction in Vientiane.

Khieu Samphan Interviewed

BK2807044491 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 Jul 91

[Announcer-read "text" of interview with Khieu Samphan, vice president of the National Government of

Cambodia and head of the Party of Democratic Kampuchea, by correspondents of the Voice of the National Army of Democratic Kampuchea and the Voice of Democratic Kampuchea radios on 27 July; place not given]

[Text] [Correspondent] My respects to Mr. Vice President.

You have just returned from attending the Supreme National Council [SNC] meeting in Beijing. Would you please sum up the outcome of the meeting for the attention of our compatriots?

[Khieu Samphan] The SNC meeting in Beijing on 16-17 July, following the conclave in Phatthaya on 24-26 June, achieved grand success. The outcome of the Beijing SNC meeting, which supplemented and enhanced the results scored in Phatthaya, is as follows:

1. The SNC appointed the samdech [Sihanouk] as its full-fledged chairman;

2. A decision was made on the composition of an SNC delegation to attend the 46th UN General Assembly. This issue is of vital importance because the world has been waiting for this opportunity to solemnly applaud and welcome the SNC headed by the samdech;

3. A decision was reached on the setting up of the SNC headquarters in Phnom Penh; and

4. A growing number of countries, including the ASEAN states, officially and solemnly announced their recognition of the SNC led by Samdech Norodom Sihanouk. Also, the ASEAN states arranged for installing their missions to the SNC in Phnom Penh.

[Correspondent] What remaining issues are still outstanding?

[Khieu Samphan] The remaining outstanding issue concerns UN supervision and control over the cease-fire and the nonacceptance of foreign military aid. This issue was also discussed at the SNC meeting in Phatthaya. At the Beijing meeting, the SNC again extensively discussed the matter and Samdech Norodom Sihanouk, on behalf of the entire SNC, wrote an official letter to the UN secretary general requesting that he arrange for the dispatch of a UN mission to oversee the cease-fire and nonacceptance of foreign military aid.

The UN verification of the truce and cessation of foreign aid was not only discussed within the framework of the SNC, but also at the meeting in Beijing held by the five permanent members of the UN Security Council [UNSC] and the cochairmen of the Paris International Conference on Cambodia. So it is unambiguous that in order to make the cease-fire and nonacceptance of foreign aid a reality, UN supervision and control are necessary. UN supervision and control are very important as they constitute a concrete move toward ending the war in Cambodia once and for all. That being the case, the Perm Five [five permanent members of the UNSC] and the Paris conference cochairmen, following their meeting in Beijing on 17-18 July, issued a communique reaffirming the necessity for UN supervision and control over the cease-fire and nonacceptance of foreign aid. Moreover, they underlined that the complete withdrawal of foreign forces from Cambodia should be verified as well.

The reaffirmation by the Perm Five and the Paris conference cochairmen is the most correct move. Because now on every battlefield, such as on the Pailin battlefield, Vietnamese forces are commanding the Cambodian troops that they formed to fight Cambodian national resistance forces. At present, Vietnam has over 70,000 combat troops carrying out activities in Cambodia, and this does not include tens of thousands of Vietnamese advisers and technicians in the country. That being the case, the Perm Five, the Paris conference cochairmen, as well as the ASEAN countries are in unanimous agreement that there should be UN supervision and control.

The issue under current discussion concerns what modalities should be adopted in order to allow for UN supervision and control.

Some view that in order to arrive at an early settlement, the United Nations should take a special approach by sending a first mission made up of 200 or 300 UN staff members to implement the supervision and control. Then a second, third, or fourth team will be dispatched until all agree that a sufficient number of UN personnel are present. Others hold that a UN transitional authority—comprised of civilian and military personnel—should carry out the supervision and control within the framework of a comprehensive solution based on the Perm Five's 28 August 1990 framework document already endorsed by the entire UNSC through its Resolution 668.

As for the Party of Democratic Kampuchea, it is pleased to accept the two modalities—the United Nations can either send the first, second, or third supervisory and control teams one after the other or the entire UN transitional authority to the country. What is needed is to arrive at a resolution that allows the United Nations to exercise supervision and control, because this matter is a key issue in the developed process of definitively settling the war in Cambodia.

[Correspondent] Do you have any recommendations to offer to our compatriots?

[Khieu Samphan] According to the outcome of the SNC meetings in Phatthaya and Beijing, we already established the SNC headed by Samdech Norodom Sihanouk. The SNC headed by the samdech is our nation's authority leading toward achieving national reconciliation among all Cambodians in an independent and peaceful Cambodia with territorial integrity. Therefore:

1. The entire Cambodian people have the duty to reach national reconciliation and compromise around the SNC

headed by Samdech Norodom Sihanouk. As for the Cambodian soldiers forced by the Vietnamese aggressors to serve the state authority that the Vietnamese installed in Cambodia, you should get rid of the authority and stop serving as soldiers in the Vietnamese-formed army fighting your fellow compatriots.

2. Our entire people, please, unanimously agree to request UN supervision and control. We need strict implementation of the cease-fire and the cessation of foreign military aid and we want the war to end for the sake of peace and independence. Therefore, there should be UN supervision and control, no matter what.

Reports of Cease-Fire Violations in Areas

BK2707070791 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 27 Jul 91

[Excerpts] The Voice of the Khmer [VOK] radio newsroom received reports saying that Heng Samrin-Vietnamese troops, who violated the cease-fire, maltreated people in Phkoam area in zones under the control of the Khmer People's National Liberation Front [KPNLF] by threatening and demanding money, plundering property, and committing low and base acts against Cambodian women.

The reports say that on 23 July, 300 Vietnamese-Heng Samrin soldiers attacked various villages in the Phkoam area and publicly undressed women for pleasure. These soldiers arrested the head of (Vieng Vien) Village and demanded money by threatening that [words indistinct]. [passage omitted listing villager's plundered goods]

Latest news: We received the latest news saying that Vietnamese-Heng Samrin troops are still carrying out activities against the KPNLF forces in the northern part of Phnum Srok District and in Srei Snam District in Siem Reap Province, as well as in (Nam Tao). In Pheas and (Vieng Vien), the enemy launched another offensive on 25 July.

Further on Truce Violations

BK2907063091 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 29 Jul 91

[Text] According to a report from the Khmer People's National Liberation Front [KPNLF], 300 Vietnamese-Heng Samrin soldiers withdrew at 1800 [1100 GMT] on 27 July from the Nam Tau area to Phnum Srok in Battambang Province after having hideously plundered the local villagers' property. In the meantime, it was reported that the Vietnamese-Heng Samrin troops stationed in Kouk Ta-ek fired five 130-mm shells at 1730 [1030 GMT] on 25 July on an area, west of Thmei Village in Thmei Commune of Battambang Province, controlled by the Khmer People's National Liberation Army. No casualties were reported.

Before this the KPNLF strongly protested the truce violation recently committed by the Vietnamese-protected Hun Sen group.

Son Sann Sends Protest Notes

BK2707082791 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 27 Jul 91

[Text] His Excellency Son Sann, president of the Khmer People's National Liberation Front [KPNLF], prime minister of the Cambodian national government, and member of the Cambodian Supreme National Council [SNC], sent protest messages to the six SNC members representing the Hun Sen side, the UN secretary general, and the Paris International Conference on Cambodia [PICC] cochairmen over recent cease-fire violations committed by Vietnamese-Heng Samrin troops in Phnum Srok and Thmar Puok Districts, saying that this affected the lives and property of many people.

In a message to Hun Sen and the five other members representing the side Vietnam granted power to rule in Phnom Penh, His Excellency Son Sann said he very much regretted that on 23 July 1991 at 0600, the Hun Sen side's troops launched an offensive against a position of the Khmer People's National Liberation Armed Forces and various villages of the Cambodian people in Phnum Srok and Thmar Puok Districts, particularly (Vieng Vien), Mau, Svay Sar Thom, Ponley, Pheas, Ta Vong, and Phkoam Villages, in the KPNLF's liberated zones.

His Excellency Son Sann also said in this message that this kind of military activity runs contrary to various agreements—in which all SNC members solemnly stated that they will stop attacking one another—of the three recent meetings in Jakarta, Phatthaya, and Beijing. His Excellency Son Sann called on the Hun Sen side to take measures to immediately stop these kinds of violative military activities in order to conform to the essence of the agreement that could lead to a solution resulting in definitive peace for Cambodia.

At the same time, His Excellency Son Sann also wrote to His Excellency Javier Perez de Cuellar, UN secretary general; His Excellency Roland Dumas, cochairman of the PICC and French foreign minister; and His Excellency Ali Alatas, PICC cochairman and Indonesian foreign minister, informing them about this cease-fire violation and the cruel acts of the Vietnamese-Heng Samrin troops against the Cambodian people committed at that time.

Indonesia

Alatas To Go to ICO Meeting, Middle East

BK2907094791 Jakarta ANTARA in English 0920 GMT 29 Jul 91

[Text] Jakarta, July 29 (OANA-ANTARA)—Indonesian Foreign Minister [FM] Ali Alatas will lead the Indonesian delegation to the 20th ministerial-level conference of the Organization of the Islamic Conference (OIC), to be held in Istanbul, Turkey from August 4 through 8, 1991.

The OIC ministerial level meeting will be preceded by a senior official meeting (SOM) in Istanbul on August 3, Alatas told the press at the Pancasila Building, Ministry of Foreign Affairs, here on Monday after a meeting with the Iraqi president's special envoy.

Iraqi President Saddam Husayn's special envoy was also scheduled to pay a courtesy call on President Suharto to convey a message from the Iraqi President, Alatas added.

According to the foreign minister, the 20th ministerial-level conference had great significance because it would be the first ministerial-level meeting after the Gulf war and the first one as well after many fundamental changes had taken place in the world.

The Gulf war started with the Iraqi invasion of Kuwait in August 1990 and the ensuing battle between the allied forces lead by the USA and the Iraqi forces, came to an end in February 1991.

Alatas added that before attending the OIC ministerial meeting, he would pay a two-day visit to Tehran, Iran to return the visit of Iranian Foreign Minister Velayati some time ago.

After attending the OIC ministerial meeting, he would pay working visits to Jordan and Syria at the invitation of his Jordanian and Syrian counterparts.

Answering the journalists, the FM said that Indonesia had no special target at the OIC ministerial meeting, but would actively participate in the discussions.

He believed that post-Gulf war problems and economic cooperation would be the topics of discussions at the meeting of the 40 member countries of the OIC, Alatas remarked.

Indonesia would be the host of OIC's telecommunications ministerial meeting in Bandung in November 1991, he added.

ROK Minister Visits, Discusses Arrest of Crew

BK2907054891 Jakarta ANTARA in English 0420 GMT 29 Jul 91

[Text] Jakarta, July 28 (OANA-ANTARA)—The visiting South Korean foreign minister, Yi Sang-ok, has made a promise that his government would take a certain measure to solve the arrest of crew of Indonesian ship—KM [Motorized Vessel] Niaga 47—since December last year. The promise was made upon his arrival at Jakarta's Sukarno-Hatta International Airport for a two-day visit in the country here Sunday evening.

The case has spoiled bilateral relations between Indonesia and South Korea. The ship is accused of polluting South Korean waters with waste.

Foreign Minister Yi further said that the main objective of his visit to Indonesia was to convey a message from South Korean President No Tae-u and to strengthen bilateral ties, especially in the economic field, which had been going well so far.

He was welcomed at the airport by his host and counterpart Ali Alatas after a day-long visit to the resort island of Bali for taking a rest. He is scheduled to pay a courtesy call on President Suharto Monday and hold bilateral talks with Ali Alatas later the same day.

South Korea this year became a full dialogue partner of the Association of Southeast Asian Nations (ASEAN) of which Indonesia is a member along with Brunei Darussalam, Malaysia, the Philippines, Thailand, and Singapore.

ASEAN held annual consultations with its dialogue partners—Australia, Canada, the European Community, Japan, New Zealand, and the United States—last Wednesday in the Malaysian capital of Kuala Lumpur.

Suharto Concerned at Detention of Seamen in ROK

BK2907115491 Jakarta ANTARA in English 1004 GMT 29 Jul 91

[Text] Jakarta, Jul 29 (OANA-ANTARA)—President Suharto has voiced Indonesian concern over the continued detention of Indonesian seamen by South Korea when he received visiting South Korean Foreign Minister Yi Sang-ok here on Monday.

The four seamen—skipper and three crew members of the Indonesian motor vessel KM Niaga 47—had been detained by South Korean authorities for months at Inchon on charge of polluting Inchon Port waters with oil waste.

During their meeting at the Merdeka Palace, Yi submitted a message from South Korean President No Tae-u to President Suharto.

President Suharto did voice his concern over the case, Yi told journalists when asked whether in his meeting with the Indonesian president, the case of the Indonesian seamen had been discussed.

During examination by South Korean authorities, the four Indonesian seamen remain firm in their denial of the charge.

Until now, Yi said the case is still being tried in a South Korean court.

KM Niaga has been detained at Inchon since December 6 last year on charge of having disposed its fuel waste on the port waters.

However, Yi added he had assured President Suharto that the Seoul government would extend its influence to have the trial completed as soon as possible.

But he dared not give any time limit for the settlement of the case.

Yi added he had briefed the Indonesian head of state about development toward the unification of the Koreas, including the readiness of the two states to attend the forthcoming General Assembly of the United Nations.

President No Tae-u, he said, is hoping that President Suharto would have time to visit South Korea again.

Suharto on Global Changes, Commissioned Officers

BK2707115391 Jakarta ANTARA in English 1040 GMT 27 Jul 91

[Text] Jakarta, July 27 (OANA-ANTARA)—President Suharto stated here Saturday that the start of the 21st century will be marked by rapid global changes.

Such changes have occurred today as reflected by lessening of cold war among superpowers, said President Suharto while inaugurating new junior officers of the Indonesian Armed Forces (ABRI) at the Merdeka Palace [Presidential Palace] here.

A total of 669 junior officers consisting of new graduates of the four branches of the Indonesian Armed Forces Academy (AKABRI) were sworn in by the head of state. One of the graduates is army Second Lieutenant Joao Xavier Barreto Nunes from East Timor.

They consist of 281 officers for the army, 106 for the navy, 60 for the air force and 222 for the police.

The president further said that international conflicts caused by ideological difference have also been lessening.

However, such encouraging developments have been followed by the establishment of new groupings in the economic field, he added.

If such economic groupings can support one another we can enter the 21st century without any serious problem. However, if they are confrontating one another, we would face gloomy future, he asserted.

In such a situation, he went on, the ABRI, besides safeguarding national development, should also be able to secure dynamic national development.

The kinds of threats, challenges and impediments to be faced by the nation in the 21st century are still unkonwn, according to the president.

But there will possibly be threats, challenges and obstacles which must be overcome by the military power, besides those requiring non-militry steps to cope with, he said.

The president expressed confidence, however, that the unity between ABRI and the people will enable ABRI to accomplish well its task, especially in supporting the nation to make progress and to secure social justice in the society on the basis of the Pancasila five-point ideology.

Also present during the ceremony were first lady Madame Tien Suharto, the vice president and Madame E.N. Sudharmono, Defence and Security Minister L.B. Murdani, Commander of ABRI General Try Sutrisno, Army Chief of Staff General Edi Sudrajat, Navy Chief of Staff Admiral M. Arifin, Air Force Chief of Staff Vice Marshal Sibun Chief of the State Police liuetenant General (pol) Kunarto, Commandant General of AKABRI Major General Sudarto and the governors of the four branches of AKABRI, as well as a number of cabinet ministers.

Trade With Iraq 'Within' UN Sanction Limits

BK2907111591 Jakarta ANTARA in English 0955 GMT 29 Jul 91

[Text] Jakarta, July 29 (OANA-ANTARA) - The Iraqi Government is seeking to revitalize its trade cooperation with Indonesia after it was halted following the outbreak of the Gulf war early this year, Indonesian Foreign Minister Ali Alatas said after a meeting with Muhammad Sa'id al-Sahhaf, a special envoy of Iraqi President Saddam Husayn on Monday.

The special envoy who is also Iraqi minister for external affairs [as received], arrived in Jakarta on Sunday to hand over a message from the Iraqi president to President Suharto.

Al-Sahhaf is on his tour of several countries, including Indonesia and Malaysia, Alatas said.

The trade cooperation between the two countries which Iraq wants to revitalize will not go out beyond the limit of the economic sanctions which are still imposed on Iraq by the United Nations Security Council, Alatas explained.

We were about to ship a certain quantity of tea to Iraq—and that country had opened an LC (letter of credit) for its payment—when the Gulf crisis occurred, he said adding that when the war broke out, the tea [delivery] was halted in Singapore while Iraq could not carry out its payment.

The minister said that the Sanction Committee of the UNSC has allowed Iraq to import certain kinds of food as long as it has previously reported about the matter to the committee.

After we contacted the committee, the export of the Indonesian tea to Iraq could be continued and it is expected that the country would be able to pay it in the near future, he said.

This case is an example showing that Indonesia and Iraq could reactivate their trade activities within the limit of the UNSC's decision, the minister said.

The Iraqi envoy at his meeting with Alatas explained the latest developments going on in his country as well as the

Iraqi views on the implementation of the UNSC's resolution number 678 which arranges a number of post-Gulf war aspects.

Iraq Seeks Suharto's Help in Sanction Lifting

BK2907071191 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 29 Jul 91

[Text] Iraqi President Saddam Husayn has called on President Suharto to help provide friendly countries with a general explanation of the current situation in Iraq. Mohamed Sa'id al-Sahhaf, special envoy of President Saddam Husayn, disclosed this to newsmen after calling on President Suharto at Merdeka Palace in Jakarta this afternoon. The Iraqi president's special envoy also asked President Suharto to strive for the lifting of economic sanctions imposed by the United Nations Security Council on Iraq.

Sa'id al-Sahhaf, who is Iraqi minister of state for foreign affairs, admitted that his country's current economic situation is very difficult.

Alatas Talks With Visiting Sudanese Minister

BK2807095291 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 28 Jul 91

[Text] The diverse nature of the Indonesian nation is being studied for application in Sudan, which is formulating a kind of democratic system. This was disclosed to reporters in Jakarta by Foreign Minister Ali Alatas after receiving a courtesy call from Sudanese Industries Minister Mustafa Abdul Salam.

During the meeting, the two ministers discussed fundamental political and economic reforms in Sudan and the cooperation forum of Third World countries, including the Nonalignment Movement and the Islamic Conference Organization.

Netherlands Minister J. Pronk Views Aid Program

BK2907060391 Jakarta ANTARA in English 0425 GMT 29 Jul 91

[Text]Jakarta, July 29 (OANA-ANTARA)—Netherlands' minister of development cooperation, J. Pronk, said here Sunday that the Netherlands will reformulate its assistance to a number of developing countries, including Indonesia.

The plan for the reformulation of the assistance is still being processed, Pronk told the press when he arrived at Sukarno-Hatta Airport here.

Pronk further said he is currently making a two-week visit to Indonesia in his capacity as minister of development cooperation, not chairman of the Intergovernmental Group on Indonesia (IGGI).

He was not ready to disclose in detail the assistance to be given to Indonesia. It must be discussed first with Indonesia's minister of economic, financial, and industrial affairs, Radius Prawiro, and chairman of the National Development Planning Agency (Bappenas), Saleh Afiff, he said.

Pronk, who was welcomed at the airport by the Bappenas chairman, explained the purpose of the current visit is to discuss with Indonesian leaders cooperation between Indonesia and the Netherlands and to observe development in the eastern part of Indonesia, particularly Maluku.

The Indonesian Government wants the donor countries to focus their aid to the eastern region of the country, according to Pronk.

We intend to answer the appeal in a positive way, Pronk revealed, adding that his plan to visit Maluku is in line with the policy of his country to link aid to the developing countries with the effort to alleviate poverty.

Besides holding talks with the coordinating minister of economic, financial, and industrial affairs, during the two-week visit Pronk will also visit several islands in Maluku province.

Laos

Newspaper Comments on MIA Photo Controversy

BK2707075191 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 27 Jul 91

[Text] VIENTIANE MAI newspaper published in today's issue an article saying that the controversy regarding the photograph showing three American pilots missing in the Indochinese war is being extensively covered by the U.S. mass media. Many major newspapers expressed different opinions, causing controversy about the fate of these U.S. servicemen. Some say that they are still alive. The producer of this photograph, still unidentified, affirmed that those servicemen are still alive and are being detained by the Vietnamese side. The photograph shows the three U.S. servicemen in the jungle with a sign giving the date of May 1990. A private organization handed the photograph to the U.S. Defense and State Departments last week.

These opinions force us to go back into our files on this issue. According to files given to Hanoi by Washington, Albro Lundy and Larry Stevens were shot down over Laos in 1966 and 1969 and had been listed as killed in action. John Robertson and a copilot Buchanan flew a F4C aircraft which was shot down in Hai Hung Province in North Vietnam on 16 September 1966. Buchanan survived and was arrested and later handed over to the U.S. side. A joint Vietnamese-American search from 16 February to 6 June 1990 determined that Robertson had been killed. Some of his remains collected at the place where his aircraft crashed were returned to the United States on 10 January 1990.

Evidently, the news about the three U.S. pilots shown in the much-publicized photograph saying that the three are still alive is groundless because all American prisoners of war captured in the Vietnam war were returned to the U.S. Government after the Paris Agreement on Vietnam.

In its 21 July evening broadcast, the Voice of America quoted Congressman Stephen Solarz as affirming that the photograph was faked. He also said that those pilots shot down either in Vietnam or Laos are no longer alive. Mr. Solarz drew U.S. public attention to the fact that the photograph made public last week was just an attempt by the opportunists who were abusing the worry and sorrow of the American personnel members' families.

The Government of the Lao People's Democratic Republic as well as the governments of the other Indochinese countries are willing to participate in the U.S. humanitarian MIA program. The governments of the three countries always render serious cooperation to Washington in searching for the remains of the MIAs as well as other information. This program is now proceeding smoothly. In any event, the three countries are willing to cooperate with the U.S. Government to clear all suspicions and, at the same time, call on Washington to take drastic measures against the persons who want to destroy the atmosphere of cooperation. Those who created this controversy must be held responsible for all adverse consequences.

Meeting Held With Thai Technical Subcommittee

BK2707135591 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 27 Jul 91

[Text] On 25 July, the Technical Border Subcommittees of Laos and Thailand with the Lao side led by Alounkeo Kittikhoun, acting director of the International Organizations Department of the Foreign Affairs Ministry, and the Thai side by Prachit Rotchanaphruk, director general of the Treaty and Legal Affairs Department of the Foreign Ministry of Thailand, met to exchange views on the legal aspects in resolving the border conflict over the area linking Boten District, Sayaboury Province, and Chattrakan District, Phitsanulok Province. Their second joint survey of the area was conducted on 12 December 1990.

Attending the opening ceremony as honored persons were Souban Salitthilat, deputy foreign affairs minister of Laos and cochairman of the Lao-Thai Border Committee, and Wichian Watthanakun, deputy foreign minister of Thailand and cochairman of the Thai-Lao Border Committee. The two deputy foreign ministers gave the Technical Border Subcommittees guidelines and hoped the border conflict would be resolved rapidly in a just manner.

The meeting was held in a frank, constructive, and brotherly atmosphere. They will continue on 26 and 27 July.

Phoun Sipaseut Receives Thai Foreign Minister

BK2607125391 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 26 Jul 91

[Text] Yesterday afternoon, Phoun Sipaseut, vice chairman of the Council of Ministers and foreign affairs minister, received a courtesy call from the delegation of the Thai-Lao Border Committee led by Wichian Watthanakun, deputy foreign minister of the Kingdom of Thailand and cochairman of the Thai-Lao Border Committee and of the Thai-Lao border technical subcommittee.

During the conversation, conducted in a cordial atmosphere of friendship, Phoun Sipaseut hailed the joint operations carried by the border committees of the two sides, which have helped the two sides to amicably resolve the problems arising along the border area between Laos' Boten District and Thailand's Chattrakan District for the common interest of the Lao and Thai peoples.

On the same afternoon, the delegations of the border committees of the two countries also held a meeting to exchange views and to consult with each other on some legal aspects after the two sides jointly carried out the second survey of the actual sites on 12 December 1990.

Trade Contract Signed With Hanoi Company

BK2707104691 Vientiane KPL in English 0914 GMT 27 Jul 91

[Text] Vientiane, July 27 (KPL)—The Kasi Rural Development Company, a private-run undertaking, has recently signed a U.S. dollars 900,000 trade contract with a Vietnamese export-import company in Hanoi.

The contract effective from July 23 covers the export of 1,000 tons of peanut at a cost of U.S. dollars 450 per ton to Vietnam and in return the import of 9,783 tons of Vietnamese cement at a cost of U.S. dollars 46 per ton to Laos.

Border Opened for Trade With SRV Province

BK2707104291 Vientiane KPL in English 0907 GMT 27 Jul 91

[Text] Vientiane, July 27 (KPL)—A joint trade fair has been opened from July 25 at KM 35—the border crossing joint between Khamkeut District of Bolikhamsai Province and Vinh District of Vietnamese Nge Tinh Province.

The decision was taken within the framework of an agreement reached between the administrative committees of the two countries' provinces. According this, mutual exchange of goods at the border crossing point will be opened once a month. This trade fair was the second of its kind after the one opened at the border check point between Lao Savannakhet and Vietnamese Nge Tinh Provinces.

These aim to promote border transaction among bordering people of the two sides, an effort to better the living conditions of the people.

Philippines

Alleged Killers of U.S. Army Colonel Arrested

HK2907095791 Hong Kong AFP in English 0847 GMT 29 Jul 91

[Text] Manila, July 29 (AFP)—Three alleged Filipino communist guerrillas suspected of killing a U.S. army colonel and kidnapping a Japanese businessman have been arrested, military authorities here said Monday.

Rolando Abiog, Virgilio Maceda, and Antonio Lacaba, all of whom "were responsible for a series of liquidations and armed attacks" against ranking military and police officers, were captured in separate raids, a military statement said.

It did not give the exact date of the arrests.

The statement said all three suspects were responsible for the killing of U.S. army colonel James Rowe, who was ambushed here in 1989, while Mr. Abiog and Mr. Lacaba were involved in the November 1986 abduction for ransom of Japanese businessman Noboyuki Wakaoji, who was released after four months.

Authorities had set a one-million peso (36,250-dollar) reward for the arrest of Mr. Abiog and 250,000 pesos (9,000 dollars) each for the two others, the military added.

Debate on U.S. Bases Treaty Continues

Enrile: Senate To Reject Pact

BK2907091891 Manila PNA in English 0846 GMT 29 Jul 91

[Text] Manila, July 29 (OANA/PNA)—Philippine opposition Senator Juan Ponce Enrile Monday said there were strong indications the Senate will reject the new military bases agreement as an offshoot of the low compensation package offered by the Americans for the use of Subic Naval Base and the uncertain future of workers to be displaced after the closure of Clark Air Base.

Enrile, a staunch anti-U.S.bases advocate, said he believed the unfavorable terms under the bases treaty have prompted pro-base senators to reconsider their earlier positions.

Under the new accord to replace the 1947 bases agreement, Washington would pay Manila 360 million U.S. dollars for one year [words indistinct] when the U.S. forces pull out of Clark Air Base, and 204 million U.S. dollars a year for the next ten years for the continued use of Subic Naval Base. [words indistinct]

He called on the Aquino government to review the bases treaty, saying it would be hard to muster 16 votes in the Senate to back the treaty.

"It would be embarrassing to the world if the executive branch would sign an agreement which will be rejected later by the Senate," Enrile said.

Aquino Urges Senate Resolution

HK2707035891 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 26 Jul 91

[Text] President Corazon Aquino asked solons to put their suggestions on the new bases treaty into a resolution which bears the concurrence of the entire Senate. This was the reaction of President Aquino to the proposal of some senators to have the military bases treaty renegotiated.

President Aquino said that the Senate's responsibility is to decide whether the treaty should be ratified or not. Any decision of the Senate, according to the president, will be final and will be followed by Malacanang.

Bases Workers' Fate Pondered After Pact Signed

HK2907054891 Manila PHILIPPINE NEWSDAY in English 29 Jul 91 p 8

[By Mariquit Almario and Jessica Domingo-Gross]

[Text] Labor and Employment Secretary Ruben Torres yesterday said American and Philippine labor officials would meet within 90 days after the signing of the new bases agreement to discuss the status of the more than 60,000 Filipino workers in the United States military facilities in the country.

At the same time, Speaker Ramon Mitra Jr. said the House of Representatives was set to hold this week a caucus to come up with a position on the Philippine-U.S. bases agreement recently acepted by Malacanang.

Meanwhile, Kilusang Mayo Uno (KMU) [1 May Movement] Chairman Crispin Beltran said displaced Filipino workers in both Clark Air Base and Subic Naval Base should demand adequate separation pay and rehabilitation benefits from the U.S. government and called anew for outright rejection, not renegotiation, of the draft agreement.

Torres said contrary to reports that the agreement, which was reached on July 17, excluded the matter of the status of base workers, "there is a portion in the agreed minutes which stipulates that labor officials from the two governments must review within 90 days the Base Labor Agreement after the signing of the MBA [Military bases agreement) provisions covering labor within the military facilities."

Torres will discuss with leaders of the base workers tomorrow the important issues that will be brought up during the discussions.

Among the issues to be discussed, the DOLE [Department of Labor and Employment] secretary said, was the planned sealing down of the number of Filipino workers, which would directly affect some 26,000 in Clark Air Base.

Under the July 17 accord, Clark will be turned over to the Philippine government by September 1992.

Filipino base workers earlier urged the government to renegotiate for a 20-year lease to give the U.S. enough time to rehabilitate its military facilities, but the government ruled out any renegotiation.

Roberto Flores, president of the Fedeeration of Filipino Civilian Employes Associations (FFCEA), said the situation caused by the eruptions of Mt. Pinatubo provides a "justification" for the Philippine panel to "backtrack" from the its original positions.

Mitra said that although the House was not involved in the ratification of the new bases accord, the chamber still wanted to express its opinion about it.

The Constitution provides that a new bases treaty would take effect only if it would be ratified by the Senate, or approved by the people through a referendum called by Congress.

The House has approved on third and final reading a measure calling for a referendum on the new MBA, but the Senate has refused to act on it.

"We want to make a collective stand. Although this would not have any bearing on the ratification, this is important because we are the voice of the people in the legislature," Mitra said.

The Speaker said the result of the meeting of congressmen would be embodied in a resolution expressing the "sense of the House."

Aside from the anti-bases advocates in the chamber, the 36-man Group of Independents in the House has also joined in the growing clamor for the rejection of the bases accord.

Earlier, Representative Leonardo Guerrero (LDP [Laban ng Demokratikong Pilipino [Democratic Filipino Struggle]] Cavite), one of the leaders of the independent bloc, threatened to spearhead an anti-MBA movement in the House.

Guerrero assailed the Philippine bases panel, headed by Foreign Affairs Secretary Raul manglapus, for failing to include a labor agreement in the proposed treaty.

He said the panel agreed with its U.S. counterpart to forge a bases labor accord 90 days after the MBA shall have been ratified by the Senate.

The solon said the Manglapus panel had "compromised" the position of the Filipino base workers since the Aquino government would lose its "bargaining leverage" once the treaty was signed.

The Senate has also expressed its opposition to the proposed treaty due to the low compensation package offered by the U.S. panel and accepted by its Philippine counterpart.

After studying the proposed treaty, Mitra said he would call a caucus by the middle of this week and declare the chamber's stand.

Assuring the base workers of the moral support of the KMU)those who had been dismissed and those fearing dismissal because of U.S. plans to streamline bases operations to "rally against the abject insensitivity" of the U.S. government and the "puppetry" of the Aquino regime to U.S. wishes to "shortchange" the Filipino base workers.

He said the KMU would be willing to mobilize its members in support of a rally to be staged by dismissed Filipino base workers.

Earlier, Flores bared FFCEA plans to stage a rally in front of the Batasang Pambansa to seek congressional action on the plight of Filipino base workers dislocated from both Clark and Subic.

The FFCEA, which boasts a membership of more than 60,000 Filipino base workers, is the sole bargaining unit of Filipino civilians working inside the bases. More than 10,000 of its members had been affected by the U.S. pullout from the volcano-ravaged Clark Air Base.

Beltran said the KMU would be willing to support any protest action the base workers might hold, but added, "while we share with the displeasure of the base workers with regards to the apparent belittling of their interests by government negotiators in the recent bases negotiations—which merely betrays the submissiveness of this government to the wishes and interests of the U.S. government—the fact is that for nearly a century since the U.S. bases (first) existed in the country, the U.S. Government has been indiscriminately shortchanging the thousands of Filipinos working in the bases," Beltran added.

"In fact, very recently, the Americans in the bases have shown what real ingrates they are when they failed to even give relief to Filipinos, including the base workers, affected by the eruptions of Mt. Pinatubo," Beltran said.

Japanese Foreign Minister Nakayama Ends Visit

OW2607031691 Tokyo KYODO in English 0142 GMT 26 Jul 91

[Text] Manila, July 26 KYODO—Japanese Foreign Minister Taro Nakayama left for Tokyo Friday morning, ending a 36-hour visit to the Philippines.

Nakayama's trip to Manila capped a 17-day journey to Europe and Southeast Asia.

In his meeting with President Corazon Aquino, Nakayama expressed Tokyo's appreciation for the successful conclusion of negotiations between Manila and Washington on a new agreement allowing the presence of U.S. troops in the country.

The pact, which has still to be signed by both governments, extends the U.S. lease on Subic Bay Naval Station until 2001 and allows the U.S. one year to withdraw from the volcano-devastated Clark Air Base.

He also praised the government's performance in meeting targets set in the economic stabilization program by the International Monetary Fund.

Nakayama also pledged 400,000 dollars in additional assistance for victims of the recent Mt. Pinatubo volcano eruption. He met many victims in Olongapo, 80 kilometers northwest of Manila.

More Japanese Aid Granted

HK2607092691 Manila THE CHRONICLE in English 26 Jul 91 p 10

[Text] Japanese Foreign Minister Taro Nakayama told President Aquino yesterday that his government was making an additional donation of $400,000 for the victims of Mt. Pinatubo.

He made the offer during a courtesy call on the President, which increases the Japanese aid of P[Philippine pesos]1.1 million. The assistance is both in cash and kind, such as the equipment to monitor mudflows.

Nakayama saw the President after making a tour of Aeta evacuation centers in Olongapo City.

As early as 9 A.M., Japanese flag waving people lined up under steady drizzle along the city streets where Nakayama was expected to pass.

At the Cabalan Evacuation Center, some 3,000 evacuees who fled the eruption of Mt. Pinatubo, crowded the center's open stage and passedaway the time as fellow evacuees took turns singing native songs while waiting for Nakayama.

Nakayama shook hands with the evacuees immediately upon arrival at the center as the crowd roared with shouts of "Banzai, banzai, banzai."

Nakayama greated the crowd: "Ohayo gozaimasu" (good morning) before delivering a short speech in Japandwe interpreted into English by an aide and into Filipino by Mayor Richard Gordon.

He said he understood the plight of the evacuees because in Japan, a volcano had also just erupted causing massive losses in lives and property.

Meanwhile local officials in Cabanatuan City blamed budget Secretary Guillermo Carague for the delay in the release of calamity funds for Nueva Ecija.

They pointed out that the 4,000 Aeta families from Angeles City and Porac, Pampanga would need some P10 million for the house and livelihood assistance in their proposed resettlement community in the mountain village of Alorma and Palale in Palayan City.

The three barangays in San Antonio in Nueva Ecija, which were covered by lahar should also be rehabilitated for their lost 1,700 hectare of farm, houses, and farm animals. Mayor Jose Salonga estimated the damages for the crop at P2 million.

Unlike in the earthquake rehabilitation fund which had been smoothly funnelled to the office of Public Works Secretary Jose de Jesus, the money for the volcanic damages in Nueva ERcija are still "a dreram so far" said Palayan Mayor Pacifico Fajardo.

In another development, there are signs that Pinatubo is simmering down as it ejected minimal ash content volcanic clouds.

The Clark Air Base radar in Angeles City failed to detect the volcano's emissions at the peak of the heavy rains, indicating that the emissions were of minimal ash content.

Further Pinatubo Mudflow Destruction Reported

HK2607054091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 25 Jul 91

[Text] One million people have been affected by Pinatubo Volcano and its resulting mudflows. A report by the Office of Civil Defense says approximately 8,000 homes in 15 barangays in Concepcion, Tarlac, were lost under mudflows. Fourteen bridges in two other Central Luzon provinces were destroyed by mudflows brought on by continuing rains. Among the ruined bridges were the Balicutan, Pineda, Penaranda, Sapang Bato, Cabanlag, San Pedro, Makapihan, Abacan, Tulong, Maragul and Friendship in Angeles City. The San Marcelina and Santa Fe Bridges were destroyed in Zambales.

Meanwhile, 27 towns in Luzon now face grave danger because of continuing mudflows. Hundreds of houses have been buried under mud and other volcanic material. Concepcion Town in Tarlac has been hardest hit by mudflows. Authorities report that over 6,000 hectares of the town were buried in mud. Barangay Santa Rita was hardest hit, with 4,000 houses destroyed and over 300 rice fields and various livestock lost. Although the mudflow alert has been lowered, mudflows in Santa Rita continue.

The Philippine Institute of Volcanology and Seismology [Philvocs] warned that even bigger mudflows can be expected. Philvocs Director Raymundo Punongbayan says that the largest lahar deposits near the Sacobia River and other river channels in Zambales are now beginning to move as a result of the two recent typhoons. He said the large lahar deposit on the rim of Mount Pinatubo by the Sacobia River could reach the Candaba swamps, if a 2-km channel is built in Santol Rio Chico in Pampanga toward a 12-km natural reservoir. This proposal by Punongbayan would result in the loss of livelihood for several farmers, but it would prevent larger mudflows in all of Pampanga that could possibly reach Cabiao, Nueva Ecija.

The Philvocs director also warned that lahar flows could be gravest in Angeles City because these would head for the Abacan River.

Thailand

ASEAN Implored Not To Condone Oppression

BK2707014591 Bangkok THE NATION in English 27 Jul 91 p A8

[Editorial: "ASEAN Should Not Be a Party to Burma's Plunder"]

[Text] We are in an age where we like to pride ourselves on our enlightened and progressive ways but our inhumanity to our fellow man still flourishes.

Hunger is something we can all readily comprehend. A famine can be graphically presented, but oppression is often more elusive. We are rarely shown political prisoners in captivity. How many of us have ever heard the screams of those who are being tortured, or followed them through their long days of isolated agony? Yet we allow ourselves to be played into the hands of governments which still torture and kill their citizens because their opinions are unacceptable to those who hold power.

For more than a year, the military regime in Burma has thwarted the will of the Burmese people as expressed in their 1990 election. Earlier, in 1988, the junta bayoneted and shot thousands to crush a democracy-inspired uprising. Thousands of political prisoners remain in cells or under house-arrest. The military is continuing to use arrests and intimidation against peaceful people, including the Buddhist clergy.

Opposition National League for Democracy leader Aung San Suu Kyi has been under house arrest for two years and General Saw Maung's State Law and Order Restoration Council (SLORC) said it will only release her if she agrees to renounce politics and leave the country. Suu Kyi has given no sign of being willing to do either. Cut off from her British husband and two children, she spends her time meditating.

What baffles all those who cherish a world where people have the right to freely express themselves, is Rangoon's ability to finance its torture. Towards the end of 1988, Burma was reaching the end of its rope. Virtually all its foreign aid programmes had been suspended and trade was down to a trickle. It had foreign debts of US$5.98 billion, requiring US$238 million a year to service. Its foreign reserves were down to US$12 million, half of which were in credit notes, which the junta was not sure could be cashed.

If foreign governments had kept up the pressure, it would have been only a matter of time before SLORC ran out of bullets. As it turned out, Rangoon has not only survived but has extended its control more firmly over the country than perhaps at any time since independence from Britain in 1948.

The answer to how Rangoon earned hard dollars at a critical moment lies largely in its ability to make a range of fast-paying deals with governments which have little if any conscience or compunction. Since the military crackdown on the popular demoratic movement in 1988, ASEAN has abstained from condemning Burma's ruling junta despite its record of gross human rights violations and political oppression.

Thailand and Singapore, Burma's main ASEAN trading partners, have ignored international sanctions to help stabilize SLORC by adopting "a business-as-usual" attitude. It is also an open secret that Malaysia has made trade overtures to Rangoon and has sent several delegations there with a view of establishing future joint business ventures. What attracts these ASEAN countries to trade with Burma? Obviously, it's Burma's immediately available resources—timber, gems and fish. And when ASEAN refrains from asking awkward questions and signs contracts with no political strings attached, and SLORC makes clear its readiness to sell off Burma's resources, nothing is left standing in the way of the millions or billions of baht, ringgit or Singapore dollars to be made.

Our hearts were heavy when we heard at the recently concluded Post-ASEAN Ministerial Meeting in Kuala Lumpur that ASEAN is pursuing a policy of "constructive engagement" with Burma with a view to gradually involve the country into the overall scheme of things in Southeast Asia. We cried silently when Thai Foreign Minister Asa Sarasin said on Wednesday on his return from Kuala Lumpur that ASEAN considered the Western tactic of isolating and pressuring Buam "wrong" and unable to ever bring about any political improvement in the country.

Malaysian Prime Minister Mahathir Mohamad echoed Asa's statement earlier when he scoffed at critics by saying: "Nobody can claim to have the monopoly of wisdom to determine what is right and proper for all countries and peoples. It would be condescending, to say the least, and suspect for the West to preach human rights to us in the East."

Maybe, to a limited extent, ASEAN is in no position right now to demand a restoration of human rights in Burma as a conditon for economic exchange, as the regional grouping's hands themselves are soiled. In Thailand, police brutality is still rampant; in Malaysia and Singapore, a draconian Internal Security Act allows for detention without trial; in Indonesia, the Armed Fores carries out extra-judicial executions of civilian Achenese in north Sumatra; in the Philippines, communist-sympathizers and supporters are tortured by the Armed

Forces; and in the Sultanate of Brunei, political dissent is silenced with threats of force.

But this doesn't mean that, by virtue of its guilt, ASEAN should continue to trade with SLORC and enable the military regime to fill its coffers and systematically annihilate anyone who dares to speak out against the regime's brutality. Let's consider the facts as they now stand: SLORC recently went on a US$1.3-1.4 billion buying spree and purchased 11 F7 jet fighters from China. Arms experts say the aircraft is a single-seat, low-flying multi-role fighter armed with cannon and machine-guns that can attack ground targets—meaning demonstrators on the streets of Rangoon and other cities.

Surely ASEAN doesn't want to be held responsible for the successive slaughter of the Burmese people. Should a revolutonary change come to Burma, ASEAN's role in plundering the country's resources, and financing SLORC, will hardly be forgotten.

ROK Foreign Minister To Visit 30 Jul-1 Aug

BK2807145791 Bangkok Radio Thailand Network in Thai 1200 GMT 28 Jul 91

[Text] ROK Foreign Minister Yi Sang-ok, accompanied by his wife and a five-person delegation, will visit Thailand from 30 July to 1 August at the invitation of Foreign Minister Asa Sarasin. During the visit the ROK foreign minister will pay a courtesy call on Prime Minister Anan Panyarachun, and hold discussions with the Thai foreign minister. The meeting of the delegations of both countries will review and assess bilateral relations in all aspects, and exchange views and information on the regional situation, especially the post-cold war era. The ROK foreign minister will also visit places of historical and cultural importance in Bangkok and the adjoining provinces.

72 Billion Baht 1st Quarter Trade Deficit Noted

BK2907081791 Bangkok SIAM RAT in Thai 29 Jul 91 pp 7, 8

[Text] The Business Economics Department reports that in the first quarter of 1991—from January to March—Thai trade volume increased significantly, with a total of 405,490.3 million baht [bt], representing an increase of about 25.7 percent over the same period of the previous year.

The total value of Thai exports in this period was recorded at 166,596.5 million bt, while the total value of goods imported to Thailand amounted to 238,893.8 million bt.

Therefore, Thailand suffered a trade deficit of 72,297.3 million bt in the first three months of this year, an increase of about 39.8 percent when compared to the same period of the previous year.

The top ten Thai exports, in respective order of income earners for the country in million baht, are as follows: Ready-made garment products, a total of 18,114 million bt; computer equipment and parts, 12,221.4 bt; gems and jewelry products, 7,967.9 bt; rice, 7,578 bt; sugar, 7,015 bt; para rubber products, 6,970.7 bt; shoes and parts, 6,076.4 bt; tapioca products, 6,076.4 bt; electrical circuit boards, 5,905.8 bt; and canned sea food, 5,882.5 bt. Most of these exports earned higher incomes than in the previous year.

The top ten Thai imports in million baht during the same period are as follows: non-electrical industrial machinery, 45,288.2 million bt; electrical machinery and parts, 28,301.3 bt; iron and steel products, 20,117 bt; chemicals, 17,232.5 bt; crude oil, 11,806 bt; gems and jewelry, silver bars, and gold, 11,049 bt; automobile parts and bodies, 8,945.7 bt; diesel oil, 8,823.6 bt; electrical appliances, 7,817.4 bt; and ores and metals, 5,718.4 bt.

Air Force Reports Inspection of F-16 Fighters

BK2707104591 Bangkok THAI RAT in Thai 27 Jul 91 p 3

[Text] Air Force Secretary Air Vice Marshal Phanlop Thaworanan said the 1st Wing of the 2d Air Division in Nakhon Ratchasima had inspected its F-16A and F-16B aircraft, following instructions from the Air Force. In fact, there is a timetable for the planes to be checked and this has been observed strictly, with the weaknesses of the U.S.-made F-16 fighters being stressed. As a result of the Air Force x-ray checks, no defects have been found and this has been reported to Air Force Commander in Chief Air Chief Marshal Kaset Rotchananin.

The Air Force secretary said all 18 F-16 fighters commissioned by the Air Force have been routinely checked for defects. The inspection procedures include a daily inspection, and one when the plane has logged a certain number of hours in operations. The engine and the body are also inspected. At certain times, the planes would be sent to factories for engine checks and replacement. He noted the F-16 fighters are still new and had low operational hours.

Laotian Border Talks Make 'Some Progress'

BK2907012191 Bangkok THE NATON in English 29 Jul 91 p A2

[Text] Boundary talks between Thailand and Laos concerning the disputed area near Ban Rom Klao in Phitsanulok Province have shown "some progress" but there are still disputes over the two sides' respective geographical surveys of the area, Deputy Foreign Minister Wichian Watthanakhun said yesterday.

Speaking to reporters upon his return from a three-day visit to Vientiane, where he presided over the meeting of a joint subcommittee dealing with technical aspects of the border dispute, Wichian said both countries still had different claims because of disagreements over which of a number of waterways in the area formed the common border.

The technical subcommittee, at its fourth meeting last week, reviewed the findings of surveys each country conducted at the same time last November of the disputed area straddling Phisanulok's Chat Trakan district and Muang Boten in Laos' Sayaboury Province.

Sources from Wichian's delegation said Laos had not accepted the Thai survey findings showing the Huang Nga waterway, leading from the Huang river, as the border line in the area, and requested another joint survey.

The sources said that during the November survey, Lao officials had claimed findings showing the Huang Pha Man waterway, leading from the same river but deep into territory now claimed by Thailand, as the demarcation line.

The surveys started in early 1989, one year after both sides agreed to try to resolve disputes over the 80-square-kilometre area, which triggered a bloody battle in late 1987 and early 1988 between the two countries.

Wichian said that nevertheless, both sides would forward the results of last week's talk to the joint boundary committee, which he cochairs with his Lao counterpart Souban Salitthilat, and had agreed to reconvene the technical subcommittee in the next few months.

Wichian said apart from talks with Souban he also met with Lao Foreign Minister Phoun Sipaseut and Lao External Economic Relations Minister Phao Bounnaphon to further discuss an agreement between the two countries on new mechanisms to handle relations.

During a visit to Laos in May, Foreign Minister Asa Sarasin signed an agreement with Laos to set up three committees to handle bilateral relations, security along the common border and boundary matters. Thailand also agreed to end its monopoly on crossborder transportation held by the state-owned Express Transport Organization and replace it with a joint venture between the two countries' private sectors.

In June both sides also signed a new trade pact under which trade and tourism cooperation would be increased. Laos would also be given special tariff treatment for 16 agricultural items previously subject to full taxation.

Wichian said Phoun agreed to visit Thailand next month to cochair with Asa the first meeting of the joint committee on bilateral relations, to be held in Phuket. The Thai side has proposed either Aug 15-17 or Aug 25-28 as the dates for the meeting.

Wichian said he informed Laos that the Finance Ministry was studying the proper tax system for the 16 agricultural items and that the Communications Ministry was in the process of pushing for Cabinet approval of the proposed joint venture on cross-border transportation. TL [Land Transport] Enterprise Co Ltd of Thailand and Laos's Santiphap Co Ltd are tipped to carry out the joint venture.

The deputy foreign minister also said the government would dispatch a team to Laos's northern province of Luang Prabang soon, at the request of the neighbouring country, to collect information to improve the air strip there to accommodate tourists under a joint tourism promotion programme.

The minister, who also visited Luang Prabang during his stay last week, said the old Lao capital had great potential for joint tourism promotion as it shared geographical proximity and historical ties with Chiang Mai.

Former Prime Minister Named Unusually Wealthy

BK2607145591 Bangkok Radio Thailand Network in Thai 1200 GMT 26 Jul 91

[Text] General Sitthi Chirarot, chairman of the Assets Investigation Committee, briefed a news conference today on the work of the Assets Investigation Committee, appointed by the National Peace Keeping Council to investigate politicians who have amassed unusually large assets—unobtainable through legitimate work—and to make public their names. Investigation and analysis by the Asset Investigation Committee has revealed in this initial stage that some politicians have amassed suspicously large assets which could not have been obtained under ordinary circumstances in honest occupations. Accordingly, the committee has deemed that their names should be made public so that it can obtain more evidence and carry out further investigations. The committee, therefore, has decided to name the additional politicians concerned. They are as follows:

1. Gen. Chatchai Chunhawan
2. Phithak Intharawitthayanan

Those who have in their possession property belonging to the above named politicians are to make a report to the committee at building no. 608, Sanam Suapa, Dusit District, Bangkok within 15 days after this announcement. Failure to comply is punishable by imprisonment or a fine, or both.

Panel To Review Feared Constitutional Article

BK2901021380 Bangkok THE NATION in English 29 Jul 91 pp A1, A2

[Text] The Constitution Drafting Committee would review its decision to maintain a feared constitutional article, which gives the military leader and the prime minister absolute power, during this transitional period, Deputy Prime Minister Michai Ruchuphan said yesterday.

"When a lot of people disagree with (our decision), we will consider their opinions," said Michai, who heads the drafting committee.

He said his committee had been monitoring public reaction to the constitutional draft which is almost completed.

Article 27 of the interim Constitution allows the head of the National Peace Keeping Council (NPKC) and the caretaker prime minister to take any action they consider necessary to suppress threats to national peace and order, the monarchy, the economy, or national religion and culture.

The article wil be incorporated into the new, permanent constitution whose draft wil be forwarded by Michai's committee to the interim National Assembly soon. But once included in the new constitution, the article wil remain in force only until the day an elected Parliament convenes its first session.

A growing group of critics has said Article 27 should be revoked immediately when the new constitution is promulgated because its existence would spoil the electoral atmosphere.

Michai said his committee's initial decison to temporarily maintain Article 27 was aimed at keeping the balance of power between the NPKC and the caretaker government before the next general election.

"It's not difficult to cut (Article 27) off the permanent constitution, if we have enough convincing reasons," he told THE NATION during an interview.

He, however, said all members of his 20-man drafting committee had no objections to the proposed temporary maintenance of Article 27.

"(Article 27) would give us a way out of unexpected problems" which could arise during the transitional period, Michai said.

"Now that many people have said the article will not be beneficial, panel members will reconsider the matter," he added.

Air Force chief Kaset Rotchananin, meanwhile, said yesterday the absolute power granted under Article 27 could be done away with by the interim National Assembly.

He also said Article 27 is unlikely to be used during Thailand's current transitional period unless a serious "national event" took place.

Kaset said the power was unlikely to be used before a new government takes power except in case of a national emergency.

He said the constitutional provision concerning Article 27 could be amended in the interim National Assembly. "Amendments can be proposed when the assembly considers the (constitutional draft)," Kaset said.

He is the first senior military official to have suggested that the National Assembly could terminate Article 27.

Since its establishment by military coup leaders, the interim assembly has proved to be compliant with the military's tacit guidelines.

Suwat Liptaphanlop, a member of the Constitution Drafting Committee, confirmed yesterday there was a possibility that his panel would review the importance of Article 27.

The provision concerning Article 27 could be amended by the drafting committee itself instead of the National Assembly if all members of the panel agreed, Suwat said.

Those who favour maintaining Article 27 say the absolute was psychologically necessary to keep law and order and prevent a "political vacuum" during the transitional period.

Kaset yesterday declined to comment directly on concerns that the new constitution would allow the NPKC, which staged the Feb 23 coup, to preserve its power through a new constitutional body.

The new constitution would require the setting up of the so-called Constitution Committee to oversee elections and nominate members of the Senate. Pro-NPKC men are liekly to dominate the nine-member Constitution Committee, critics say.

"The issue can be debated in the National Assembly," Kaset said.

Criticism against the constitutional draft has grown consistently, prompting the committee drawing up the constitution to pledge a review of the draft to make the Constitution Committee "more democratic".

The Students Federation of Thailand (SFT), meanwhile, charged yesterday the constitutional draft was made "in the NPKC's not the public's, interests".

In a statement, the SFT said the draft did not require that the prime minister be an elected MP, thus paving the way for military-leaders to maneoeuvre for the premiership.

The possible dominance by the NPKC of the Constitution Committee would allow the military to establish strong influence in the Senate, the SFT statement said.

Paper Urges Improvements in Electoral Mechanisms

BK2901030180 Bangkok THE NATION in English 29 Jul 91 p A8

[Editorial: "Obstacles to a Free Fair Election Remain"]

[Text] A great deal of public attention has been given to the draft constitution and the sincerity of the National Peace Keeping Council [NPKC] about returning power to the people. But little has been said and much less has been done to prepare the voters or improve mechanisms in the electoral process to make the next general election cleaner than in the past.

Many of the teams that were sent to villages to teach people about democracy held highly publicized oath-taking ceremonies over the weekend to coincide with the beginning of Buddhist Lent. Eligible voters in several villages were seen on TV drinking water blessed by Buddhist monks and swearing not to sell their votes.

Success stories and rosy reports from the democracy teams from every corner of the country continue to pour into the Interior Ministry. However, these bureaucratic reports always tend to be upbeat and say what the powers-that-be in Bangkok want to hear.

On the other hand, supposing that they truly reflect political reality—that more and more rural villagers really understand parliamentary democracy now, after only a few compulsory lectures—then it is a highly encouraging development. We have to thank Interior Minister Gen Itsaraphong Nunpackdi, secretary-general of the NPKC, for bringing about this political miracle. He pushed for the democrcy propagation campaign despite all the scepticism and ridicule.

Yet understanding democracy is no absolute guarantee against vote-buying. The ignorance of voters is not the only cause of vote-buying. Chronic poverty, pressure from local officials and community leaders who serve directly or indirectly as vote canvassers are two other major causes which have not yet been adequately addressed. Since it will require a much bigger miracle—definitely much bigger than what is promised in the upcoming 7th national development plan—to wipe out rural poverty, we will have to count more on keeping local officials and community leaders from making their villagers vote against their will. In this regard, the Interior Ministry has come up with an interesting proposal.

The Interior Ministry wants to limit the term of all kamnan (elected tambon community leaders) and phuyaibaan (village chiefs) to five years. At present, kamnan and phuyaibaan hold their offices untl reaching the official retirement age of 60. Instead of a one-shot election, voters in a village will nominate the three most qualified persons to serve as their phuyaibaan while three other nominees wil be chosen by the village council. A district council will choose a phuyaibaan from these six nominees for appointment by the provincial governor. The selection of kamnan will also be made through similar procedures.

In theory this system blends popular participation with government supervision. The Interior Ministry says this is preferable to direct elections of kamnan and phuyaibaan in which local votes may be unable to resist the influence of jao pho (mafia-style bosses).

If the influence of jao pho is still so pervasive in rural areas, then the newly-acquired "understanding" about democracy at the grass-roots level will come to naught. This begs the question of why the authorities are not doing anything to crack down on jao pho and the like.

The answer is in the interdependence between jao pho and local officials. Many jao pho have politicisns under their control and can have a big say in the future of local officials in the future of local officials in their sphere of influence. One jao pho in Chon Buri is now being wooed by at least two major parties because he can practically deliver most if not all the House seats in the eastern coastal province.

Gen Itsaraphong, who is also deputy army chief, is in an ideal position to cut jao pho down to size. But he has taken no steps in that direction. Instead of trying to teach people a lesson or two in democracy, Gen Itsaraphong should put all the incumbent kamnan, phuyaibaan and district chief officials through some intensive training about how to maintain political impartiality during an election. Their business-as-usual interdependence with jao pho must not be tolerated, not if the proposed Constitution Committee is to do what it is supposed to in policing elections.

The NPKC leaders themselves must demonstrate their impartiality and help the Anan administration hold the promised general election fairly and promptly. It may make little difference whether the election is held within this year or not. What really counts is that it is held before the final deadline next April and the votes are able to particpate freely.

As things stand now, there is little cause for optimism that the next election will put Thai democracy on much firmer ground than it has been in the past.

Commentary Criticizes NPKC Corruption Probe

BK2807020691 Bangkok THE NATION in English 28 Jul 91 p A1

["Comment" by NATION Editor in Chief Suthichai Yun entitled: "Public Is Entitled to Full Disclosure"]

[Text] Gen Chatchai Chunhawan has every right to complain about the "suspicious motives" behind the announcement by the Assets Investigation Committee labelling him and his personal secretary "unusually wealthy persons." But is he ready to tell the Thai people the full story?

Gen Sit Chirarot the panel's chief, has only recounted part of the story—and a very sketchy one it is. The way we see it, the game is strictly being played between the powers-that-be and those toppled on Feb 23. The public seems to have been left out in the cold, playing the very unpleasant role as the odd-man out.

Whether Gen Chatchai is abnormally rich has ironically become less important an issue than a new, more significant question: Where, in this whole exercise, is the public's right to know?

Gen Sit claims he can't reveal his committee's findings which formed the basis of the decision to declare the former prime minister a suspect in the hunt for former politicians who might have enriched themselves through illegal means.

But the charges sound like a political witch hunt unless the committee tells the public what it has discovered about Gen Chatchai's personal wealth. His reason for keeping the public in the dark is far from convincing: The accused must first come forward to clarify his state of wealth.

The committee has decided that the former prime minister had accumulated wealth to an "unusual" extent. How? Why is it that only members of the committee have access to information on these charges? Who decides that the general public should be denied the right to know what our former prime minister was said to have been up to all those years when we were repeatedly reminded that the country was experiencing "full-fledged democracy?"

Gen Sit has adopted the same "off-limits" policy for the nine other former politicians who have been blacklisted on similar charges. But nine wrongs don't make one right. The end can't justify the means. In fact, in this particular case, the means is as important as the end, if not more so.

The committee was appointed by the military junta which staged a coup to topple the Chatchai government. Rightly or wrongly, and despite Gen Sit's unblemished record as a no-nonsense investigator, his far-reaching power has come under some critical questioning, and rightly so.

The committee has failed to take the people into its confidence.

The most charitable thing that can be said about Gen Sit's role is that he has become a convenient tool of circumstance. But he has obviously been stung by remarks from detractors that the coup-makers have used him to block formerly powerful politicians from returning to power.

Both lines of argument could well be downright wrong. But Gen Sit has not built up any convincing immunity against such allegations.

Evidently, there are grounds to believe that some of the former Cabinet members were indeed involved in corrupt practices. In fact, quite a few of us would even support the proposition that politicians who cannot explain how they had accumulated their excessive wealth while holding high offices should be banished from the political scene—for good—and the book should be thrown at them without mercy.

But the Assets Investigation Committee has paid no respect to the public's right to know. For all intents and purposes, the committee's all-embracing authority is frightening. It is not even required to report to the National Peace Keeping Council, which in itself has problems trying to prove its own legitimacy in the first place.

The case against corrupt politicians is valid, even strong—but the way it is being pursued is shot through with holes. The committee must make public its findings on all the 25 persons named on the "blacklist"—including the 10 who have been let loose and the 11 described as being "unusually wealthy."

We have been told only about the results of the investigations but not how [previous word published in italics] such decision were reached. The public can at best judge the performance of the committee on subjective, emotional grounds—certainly not based on hard facts and figures.

This has obviously provided additional ammunition to the accustion that Gen Sit's committee has been used as a tool of vendetta against the former politicians.

If the panel continues to operate in a cloak of secrecy—with the "who else can you trust if not us?" approach—the public will have to assume that the committee members—including Gen Sit himself—have something to hide from us.

Gen Chatchai was the first elected MP to become prime minister in 12 years. His downfall—whether he deserved it is another question—marked a serious setback for Thailand's democracy. If corruption did plague a Cabinet whose members were "people's representatives"—voted in by the people themselves—something must be wrong somewhere—either with the system or the people.

If, as a people, we had made mistakes or didn't know how to exercise our democratic rights, as the coup leaders seemed to have indicated, we were entitled to know where and how we failed. The Thai people must be told about the flaws in our electoral and government systems. The military leaders didn't have the right to take things into their own hands—by forcing out an elected government—in the first place. Now, the Assets Investigation Committee appointed by the coup-makers is trying to repeat the same offence: Ignoring the obligation to demonstrate accountability to the public.

The committee must make a full public disclosure of its investigations on every suspect on the list. The panel's only legitimate role is to serve as the investigator, digging out all the facts and figures and activities of former politicians. But the crucial process of investigations against the suspects and testimonies given by the defendants must be put up for public scrutiny.

The National Peace Keeping Council and the Assets Investigation Committee cannot carry out this task behind closed doors. Corruption is national issue and the hunt for corrupt politicians—or the effort to save good ones from foul play—must be an open, transparent exercise.

The committee risks being accused of abusing its authority if it doesn't come clean with full details of the investigations. Investigators cannot be judges at the same time—if justice is to be served. This committee must report to the whole country what it has found—and what the suspects have to say in their defence.

The public—not the National Peace Keeping Council, not the Assets Investigation Committee, not the government—will decide where to place its trust.

Don't force-feed us with your conclusions. Just give us all [preceding word published in italics] the facts. The people can make their own decisions.

Dailies Criticize Government's Performance

BK2607124391

[Editorial Report] Two Thai Newspapers—SIAM RAT and BAN MUANG—on 26 July carry editorials criticizing the interim government's performance over the past four months.

SIAM RAT's 600-word editorial on page 3, entitled: "The National Peace Keeping Council—A Prop for the People," says that this government was set up by the National Peace Keeping Council [NPKC] after the successful takeover of power. It appointed Anan Panayarachun as prime minister and Anan selected his cabinet ministers. At the beginning, the people seemed to be satisfied with the government because the cabinet ministers are all well-known persons. The people believed that the government had good intentions toward the people, although it was only an interim government. However, "it is clear that the people have now started to get bored and dissatisfied with this administration because the people have not yet seen any substantial achievements."

The editorial continues to say that "We see that this government has shown itself to be incapable of administering the country during the past four months." Moreover, it has not followed up the accomplishments of the previous government in directly benefiting the people and the country. It has even appeared to destroy those accomplishments. For example, the previous government initiated and undertook the telephone expansion project, the elevated train project, the sky train project, and the new expressway project by allowing private companies to invest in these projects with a huge amount of money. "We have learned that this government does not pay much attention to these projects because it holds that these projects are luxury ones. It has even indicated that it would cancel these projects." The editorial also says that in fact the NPKC has no intention of scrapping the projects of the previous government, which are aimed at serving the public. On the contrary, the NPKC has encouraged the government to follow up these projects.

In conclusion, the editorial says that we would like to ask and appeal to the NPKC to be a prop for the people—since the people can not longer rely on this government—by suggesting to this government that they continue these projects in order to meet the NPKC's aims when it took over power.

BAN MUANG's 600-word editorial on page 5, entitled "Unreliable", says that when the NPKC announced the power takeover from the elected government, the people agreed with it on the basis of some points, such as vote-buying and corruption. The NPKC announced the dissolution of the House of Representatives to pave the way for new elections, which will be devoid of vote-buying, as soon as possible. However, the people's hope vanished when it set up an interim government, the National Legislative Assembly, and the Constitution Drafting Committee. The NPKC only takes action against corrupt politicians, although the people believe that many officials should be subject to assets verification. The NPKC's responsibility over the country did not end after it formed the interim government because it was the NPKC who made the changes.

The editorial says "the interim government of the NPKC has administered the country for over four months. At first, the people praised the government because it consists of well-known persons. But now, they have started to accuse the government of being a problematic government because it has tried to create problems and destroy the projects of the previous elected government. It has attempted to prove to the people that the projects and policy of the democratically elected government were wrong and should be reconsidered by the undemocratic government or the government of the NPKC".

The government has tried to cancel the telephone project, the elevated train project, and the sky train project, which the democratic government had thoroughly considered for a long time. "But, these projects were destroyed by the interim government in only a few days. The people can no longer accept this kind of behavior."

Vietnam

Official's Arrival To Discuss MIA's Reported

BK2607152391 Hanoi VNA in English 1504 GMT 26 Jul 91

[Text] Hanoi VNA July 26—U.S. Deputy Assistant Secretary of State Kenneth Quinn, chairman of the Joint Office on the Americans Missing in Action [MIA] in the Vietnam War, arrived here today to discuss with concerned Vietnmese offices matters related to the picture of three Americans reported missing during the

Indochina war and who are recently reported by some U.S. newspapers to be still alive.

Mr. K. Quinn was received by Deputy Foreign Minister Le Mai and had a working session with Le Bang, deputy head of the Department for America of the Foreign Ministry, and Ho Xuan Dich, director of the Vietnamese Office for Search of Missing Personnel.

The Vietnamese side reiterated its active cooperation with the United States for a settlement of the MIA question the sooner the better. It supplied the U.S. side with evidence proving that the Amercican pilot John Leightson Robertson, one of the three persons shown in the picture, had died when the F4C he was piloting crashed in Hai Hung Province on September 16, 1966. The Vietamese side affirmed that the photo is a set-up. The Vietnamese side requested that the U.S. Government make it a responsibility for the supplier or suppliers of the said photo to cooperate with the U.S. and Vietnamese Governments in investigating this question.

Mr. Quinn thanked the Vietnamese side for its cooperation and prompt action.

No American POW's in Vietnam

BK2707155491 Hanoi VNA in English 1326 GMT 27 Jul 91

[Text] Hanoi VNA July 27—Vietnam reasserts that all U.S. prisoners of war (POW) were turned over to the U.S. Government after the Paris agreement on Vietnam and no living U.S. prisoner remains in Vietnam, either as prisoner or voluntary resident, said Ambassador Trinh Xuan Lang, head of the Vietnamese permanent mission at the United Nations, at a press conference held in New York Wednesday.

Before the representatives of about 30 major news agencies, TV, radio, and newspapers, the Vietnamese ambassador read a statement of the Vietnamese UN mission on the POW/MIA issue, and said:

"Vietnam has more than once issued statements that no U.S. POW's are still detained in Vietnam and no U.S. serviceman has volunteered to stay back in Vietnam. Immediately after the signing of the Paris agreemenent, all U.S. prisoners of war were returned to the United States. Vietnam did not want to keep any U.S. POW's. On the contrary, it has cooperated with the U.S. Government to solve this emotional issue".

After reviewing the efforts and goodwill acts of the Vietnamese Government in cooperating with the U.S. Government to settle this humanitarian issue as shown especially in the permission for the U.S. to open a POW/MIA office and a war veteran office in Hanoi, Trinh Xuan Lang stressed that Vietnam will continue cooperating with the U.S. Government to clarify any related question.

He said : "J.L. Robertson, one of the three American pilots killed in the Indochina war, but claimed by some ultra-rightist elements in the U.S. to be still alive in Vietnam actually met his death when his plane was shot down".

He produced documents of the 13th joint U.S.-Vietnam investigation to prove that all the claims that Robertson is still alive are groundless.

He urged that the person or persons who produced the photograph cooperate with the Vietnamese and U.S. Governments to solve the question at the root. If he refuses to cooperate and investigation shows that the the photograph was faked, the faker should be condemned and punished, Mr Lang added.

"To raise false hopes for the MIA families is both wicked and inhuman," he stressed.

In conclusion, the Vietnamese ambassadors condemned those who are making use of the MIA question which is an emotional issue for the American people to hamper the normalisation of relations between the United States and Vietnam.

Le Duc Anh in PRC for Talks on Normalization

BK2907093891 Hong Kong AFP in English 0903 GMT 29 Jul 91

[Text] Hanoi, July 29 (AFP)—General Le Duc Anh, the number two official in Vietnam, is visiting China for discussions on normalising relations between the two countries, reliable sources said here Monday. Gen. Anh, who is also defense minister, left here Sunday accompanied by an unidentified vice minister of foreign affairs, the sources said. Hong Ha, a senior official of the Vietnamese Communist Party Central Committee, had also gone to Beijing with Gen. Anh, the sources said.

The defense minister's visit to China was not officially confirmed.

Council of Ministers Chairman Tenders Resigns

OW2607153591 Beijing XINHUA in English 1506 GMT 26 Jul 91

[Text] Hanoi, July 26 (XINHUA)—Do Muoi has tendered his resignation as chairman of the Council of Ministers, Vietnamese official Phan Quang announced at a press conference here this afternoon.

Do Muoi was elected chairman of the Vietnamese Council of Ministers at the third session of the eighth National Assembly in June, 1988. He was chosen as general secretary of the Central Committee of the Communist Party of Vietnam at last month's seventh national party congress, replacing Nguyen Van Linh.

Phan Quang, a member of the Secretariat of the ninth session of the eighth National Assembly, said a new chairman of the Council of Ministers will be elected at the ninth session slated for July 27 to August 12. The new chairman will submit to congress a list of replacements for ministers who want to retire.

According to Vu Mao, an official from the General Office of the Congress, the ninth session will approve laws on forest preservation, popularization of primary education, the protection of children, health care, and amendments and addenda to Vietnam's criminal code.

Another important item on the session's agenda will be to sound out the opinions of congressional representatives on the amendments to the 1980 Constitution prior to soliciting opinions from the masses on the draft constitution. The new constitution is scheduled to be ratified at the National Assembly meeting at the end of this year.

The ninth session will also hear a report by the Council of Ministers on Vietnam's socioeconomic situation for the first half of 1991, and projections for the second half of the year.

Vo Van Kiet Likely To Be New Prime Minister

OW2707021391 Tokyo KYODO in English 0200 GMT 27 Jul 91

[Text] Hanoi, July 27 KYODO—Vietnam's National Assembly on Saturday started a 17-day session to form a new cabinet, a month after a Secretary General Do Muoi was made the new party leader at a congress of the Vietnamese Communist Party.

The National Assembly is scheduled to discuss such issues as revision of the 1980 Constitution, improvement of the compulsory education system, taxation, and legal amendments to accommodate legal and administrative systems in its economic reform policy called Doi Moi, officials said.

The assembly is expected to name a new prime minister around August 9, the officials said.

First Vice-Premier Vo Van Kiet is likely to be the new prime minister, the officials said. The new prime minister will form a cabinet.

Deputy Foreign Minister Tran Quang Co is rumored as a possible successor to outgoing Foreign Minister Nguyen Co Thach, the officials said. Some party leaders, however, say Co is not a good choice for the post because he is not a member of the Politburo or the party Secretariat, the officials said.

Assembly Agenda Introduced to Foreign Media

BK2707035391 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 Jul 91

[Text] On the afternoon of 26 July at the Ba Dinh Conference Hall in Hanoi, the secretary of the ninth session of the eighth National Assembly organized an international media briefing to introduce the contents and agenda of the National Assembly session.

A large number of foreign journalists in Hanoi attended the briefing.

On behalf of the secretary of the ninth session of the eighth National Assembly session, Comrade Vu Mao and Comrade Phan Quang pointed out: This session is of very important significance because it will contribute to developing the results of the Seventh Congress of the Communist Party of Vietnam toward the political, economic, and social life of the nation.

Noteworthy is the fact that at this session, the National Assembly will review and give its opinion on the draft amendments to the 1980 Constitution.

Comrade Vu Mao and Comrade Phan Quang answered many questions raised by the journalists.

Eighth National Assembly Opens in Hanoi

BK2707151991 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 27 Jul 91

["Text" of opening of the ninth session of the eighth National Assembly in Hanoi on 27 July—recorded]

[Text] The ninth session of the eighth National Assembly was solemnly opened on the morning of 27 July 1991 at the Ba Dinh Conference Hall in Hanoi.

Attending the opening were Comrade Do Muoi, general secretary of the party Central Committee and chairman of the Council of Ministers; Comrade Pham Van Dong, adviser to the party Central Committee; and Comrade Vo Chi Cong, adviser to the party Central Committee and chairman of the Council of State. Comrades from the Political Bureau of the party Central Committee, the Secretariat of the party Central Committee, and the Standing Committee of the Council of Ministers and many leading comrades of the party and state were also present.

Also attending were members of the diplomatic corps, international organizations working in Hanoi, international media agencies, and radio and television stations in Hanoi.

At exactly 8.30 a.m. [0130 GMT], the ninth session of the eighth National Assembly began.

[band plays the Vietnamese national anthem]

Le Quang Dao, chairman of the National Assembly, delivered the opening speech.

Dear Comrade Do Muoi, general secretary of the party Central Committee and chairman of the Council of Ministers;

Dear Comrade Pham Van Dong, adviser to the party Central Committee;

Dear Comrade Vo Chi Cong, adviser to the party Central Committee and chairman of the Council of State;

Dear National Assembly deputies:

I welcome National Assembly deputies from all parts of the country attending the ninth session of the eighth National Assembly. [applause]

On behalf of the National Assembly, I warmly welcome members of the diplomatic corps and international friends attending the National Assembly session of the Socialist Republic of Vietnam [applause]

The ninth session of the eighth National Assembly is being conducted after the seventh national party congress. The great success of the national party congress has brought back confidence and enthusiasm to people in the entire country and friends around the world.

The party congress has outlined a platform to build the nation during the transitional period to socialism and a strategy for socioecnonomic stabilization and development up to the year 2000.

The congress has also pointed out how the renovation can be intensified to help the country overcome every difficulty and challenge, to strongly advance along the socialist path.

In order to put the seventh national party congress' resolutions into action, the National Assembly will in this session provide opinions on the amendments to the 1980 Constitution. It will debate and approve bills on the popularization of primary education; on the laws on protection, care, and the education of children; on forest protection and preservation; and on the amendments to some points in criminal law.

The assembly will also provide opinions on the draft law on taxation regarding the use of agricultural land. It will also discuss the Council of Ministers' report on the implementation of the National Assembly eighth session's resolutions on the socioeconomic duties in the first six months of 1991 and the necessary measures to solve the urgent socioeconomic problems in the last six months.

The National Assembly will also hear reports on foreign relations activities of our government in the first six months of 1991 and reports on the work of the Supreme People's Court and the Supreme People's Control Organ.

The National Assembly will elect a new Council of Ministers chairman and a number of members to the Council of Ministers and will consider and decide on other important issues.

At the opening session this morning, our National Assembly warmly welcomed Comrade Do Muoi, general secretary of the party, and solemnly listened to his National Assembly address.

Dear National Assembly deputies,

I suggest that deputies heighten their sense of responsibility, develop their collective intelligence, discuss democratically, and contribute many opinions for the session to be successful.

I declare the ninth session of the eighth National Assembly opened. [applause]

Afterward, Comrade General Secretary Do Muoi delivered a speech. On behalf of the CPV [Communist Party of Vietnam] Central Committee, Comrade Do Muoi warmly welcomed National Assembly deputies to the ninth session of the SRV Eighth National Assembly.

The General Secretary reported to the National Assembly the splendid success of the Seventh CPV Congress and its significance to the revolution undertaking by the party and people. Comrade Do Muoi also asserted the initial yet important achievements scored after the four-year implementation of the renovation cause set forth by the Sixth CPV Congress. He said the successful Seventh CPV Congress has set forth concepts and the main objectives for the future socialist society. It has stressed the fundamental orientations and guidelines for the socialist construction in Vietnam; asserted our firm determination to continue with the renovation cause, thereby resolving the country's socioeconomic crisis in its efforts to overcome poverty and backwardness by the year 2000 and the subsequent years; and asserted our determination to build a strong and prosperous Vietnam where people are masters, laws are obeyed, oppression and unjustice are abolished, and a happy and bountiful life are ensured for all. The congress also asserted its firm determination to carry out the policy to develop the multicomponent economy along the socialist path and to implement the market-oriented system under the state management in accordance with the law, plan, policy, and other measures. The congress specifically upheld the requirement of broadening democracy; developing the people's right to mastery; opposing bureacratism, corruption, smuggling, and other social vices; and promoting relations with all countries regardless of different politico-social systems on the basis of equality, mutual interest, and respect for one another's independence and sovereignty.

The Seventh CPV Congress asserted that in fulfilling the heavy tasks entrusted by history, the party must renovate and enhance its leadership capabilities, considering this the most important task in party-building work.

Another remarkable success of the Seventh CPV Congress was the election to the party's new and leading organ, thereby keeping the tradition of inheritance and generational change in leadership.

In concluding his speech, Comrade Do Muoi said: Dear National Assembly deputies, in its documents to the seventh national congress, the CPV presented new concepts on the political system in our country. On the basis of reviewing the implementation of the Sixth CPV Congress resolution, the Seventh CPV Congress set forth tasks to continue with renovation activities and improving relations between agencies and organs, considering this an important task in accelerating the socioeconomic development program. We are striving to stabilize the political system to create favorable conditions for socioeconomic stabilization and development. Reality has shown this concept to be totally correct. However, stabilization does not mean that we have to maintain backwardness, obsolete practises, sluggishness, shortcoming, and lack of initiative in the changing conditions. If we are unable to promptly carry out the renovation, especially on the inconsistent aspects of our political system, then they will become obstacles to the economic development program and the platform to improve social life. As a result, the Seventh CPV Congress has set forth the task to continue with the renovation. It has asserted the necessity to improve the party leadership and to satisfactorily strengthen relationships among the party, the state, and mass organizations, while striving to improve the state mechanism.

Since the Sixth CPV Congress, we have scored a number of undeniable achievements in this regard, especially in [words indistinct], broadening democracy, improving state management functions, and strengthening party and state relations. Nevertheless, we must continue to improve the state mechanism and party-state relations.

At this forum, I would like to present a number of issues related to this and to efforts to renovate the activities of the National Assembly to implement its function as the highest state organ of authority.

According to our concept where the party leads the administration, the efficacy of the party leadership rests chiefly with the effective implementation of tasks by the National Assembly, the government, the people's councils and committees of various echelons. This is because our party and state have the sole and common objective of serving the interests of the fatherland and the people. Only by keeping the state under the party leadership will we be able to apply the party lines and policies to daily life and to progress. Correct party leadership will not only support but strengthen the role of state management. The key task in promoting harmonious relations between the party and state is to firmly grasp the objectives and methods of party leadership. Reality during the four-year implementation of the Sixth CPV Congress resolution has provided us with important concepts in this regard.

The party platform clearly states that the party exerts its leadership over society through its platform, strategies, policy and position orientations, propaganda, persuasion, mobilization, organization, and exemplary actions of party members. The party recommends outstanding members with sufficient capabilities and quality for work in various leading organs of the administration and mass organizations. The party does not substitute itself for other bodies in the political system. The party leads the political system while it is a component of that system. The party maintains close relations with the people, submits itself to the people's supervision, and operates within the framework of the constitution and law. The basis for delineating this boundary is the fact that the party is the nucleus of leadership and not a state management organ. Identifying party functions and tasks with the state will lead to a situation where the party's leading role as well as the state's managerial role and the people's right to mastery are jeopardized. We knew such mixed-up situations existed for some time and still do to some extent. The overinterference of party committee echelons in many localities in the work of the administration has not ended. To put it clearly, there have been cases where the party has taken over the work of the administration and the party has relaxed its leadership over the administration. Both have equally bad consequences.

Life is more diversified and complex than regulations. There are concrete matters that cannot always be clearly determined whether they must be decided on by the party or the administration. Accurate conclusions can be drawn only through a concurrent process of working and learning from experience as this is a new issue. If we pay constant attention to this question, I think we can overcome this obstacle. Another important problem is in the period ahead, we should gradually translate these basic contents into a concrete mechanism for use as criteria for our actions.

The documents of the seventh party congress also advocated the concept of our state as a unified organ of power. Proceeding from the principle that power belongs to the people and from a division of work and responsibilities is that the National Assembly is the highest organ of state authority and the sole body vested with constitutional and legislative powers, and the authority to decide on basic internal and external policies, including the task of socioeconomic development. It can exert supreme supervision over all activities of the state. These are very important functions since they represent the high ideals and sense of duty of the National Assembly, as they bear on the people's destiny and the country's development prospects. Over the past few years, our National Assembly has actively operated along this line. However, much remains to be done before it can fully discharge its functions as the highest organ of state authority. As the deputies have assessed, the formal nature of its activites has not been completely eradicated. Organization and work methods remain unwieldy and unscientific; for this reason, its operational efficiency is still low.

In my opinion, the National Assembly should focus on meeting two basic, central demands: first, in building and developing the state, a state with the authority to formulate a unified legal system that meets the requirement of the social development program and the management of daily life through law enforcement. These are the conditions of a civilized and progressive society, a foundation that ensures the effective implementation of the lines, positions, and policies of the party and state, and a key factor in making our social relations healthier. Second, in ensuring the power and efficacy of the

National Assembly as prescribed by the Constitution. The National Assembly forum must really be a mouthpiece of the people who speak through their deputies on national issues. The National Assembly is a forum not only for expressing their views on important national policies and the methods of their implementation, but also for making observations on the administration's activities, including the question of personnel. All important questions falling under the competence of the state must be brought before the National Assembly for debate democratically and must not be presented to the National Assembly as a fait accompli. National Assembly resolutions are the highest orders with a legal character that no organization or individual may alter or refuse to implement. All powers of the National Assembly and its deputies as determined by law must be fully respected and realized.

This stresses the requirement for the National Assembly and each deputy to maintain their sense of vision, intellect, and responsibility. This is to ensure that each law as well as each decision issued by the National Assembly will be of high quality. All these questions are related to our efforts to solve the issues concerning the organization and activities of the National Assembly.

These issues involve the enhancement of the criteria of National Assembly deputies, National Assembly elections, the operational procedures of the National Assembly committees and people's councils, the definition of the responsibilities of the National Assembly administrative organs, National Assembly deputies' special and regular tasks, and so forth. All these issues that have already been projected in the draft amendments to the Constitution are necessary because they will enhance the quality of the activities of the National Assembly, thus guaranteeing conditions for the latter to have full power to render effective service.

There is little time left until the expiration of the eighth legislature of the National Assembly, but much work remains to be done. I would like to suggest a number of major tasks for the National Assembly to carry out as follows:

1. Based on a full understanding of the various documents of the seventh party congress, the completion of the draft amendments to the Constitution is urgent. This is an issue that our National Assembly will have to resolve now. Next, it is necessary to solicit the views of broad segments of public opinion before these amendments are officially approved by the National Assembly at its session scheduled at the end of this year.

Along with adjusting, supplementing, and perfecting the existing laws, it is important to formulate other projected laws and regulations. These are heavy and complicated tasks. Therefore, we must show high determination and adopt a very scientific work style if we are to reach our objectives.

2. It is necessary to further renovate and consolidate the mechanism and the contingent of cadres in charge of National Assembly committees and state organs at all levels in the direction of a streamlined and compact organization to guarantee work efficiency and satisfactorily institutionalize and implement the seventh party congress's resolution.

3. It is important to organize and motivate people of all walks of life to successfully implement the overall 1991 state plan, thus creating favorable preliminary conditions for implementing the socioeconomic tasks of the 1991-1995 five-year plan. It is necessary to attach importance to the immediate tasks to help resolve the difficult problems arising from business and production operations as well as from budget expenditures. It is important to reduce the budget deficit and inflation; to accelerate the struggle against corruption, smuggling, and tax collection shortfalls; to guarantee public security and order; and to stabilize the people's life.

4. It is imperative to enhance the role of the National Assembly in overseeing the implementation of major tasks set forth by the National Assembly to guarantee order and discipline and to make sure that people live and work in accordance with the law and that violations are dealt with to the full extent of the law without any exception.

Dear National Assembly delegates, the documents of the Seventh CPV Congress have set forth basic short-term and long-term orientations and tasks for our nation and people to implement. It is difficult to build a correct political line capable of reflecting the will, aspirations, and wisdom of the people. It is even more difficult to apply this to life. In implementing this complicated and heavy task, the CPV pledges its confidence and determination to work closely with all political organizations in our country, especially the National Assembly. The CPV firmly believes that in developing the success of the seventh party congress, the National Assembly will continue to fulfill the heavy mission entrusted by the people in the new stage.

I wish the ninth session of the eighth National Assembly fine success. I wish the National Assembly deputies good health. [prolonged applause]

Also at the opening session on the morning of 27 July, Comrade Vo Chi Cong, chairman of the Council of State and president of the Constitutional Amendment Committee, read a report on the amendments to the 1980 Constitution.

Next, on behalf of the Council of Ministers, Comrade Tran Hong Quan, minister of education and vocational training, read a report on the draft law on the protection, care, and education of children. Comrade Ha Quang Du, chairman of the National Assembly of Teenagers and Children Committee, read a verification report on this draft law. On behalf of the Council of Ministers, Comrade Phan Xuan Dot, minister of forestry, read a draft law on forest protection and development. Comrade Vu

Tien Hoang, vice chairman of the National Assembly Science and Technology Committee, read a verification report on this draft law.

At this afternoon's session, on behalf of the Council of Ministers, Comrade Tran Hong Quan, minister of education and vocational training, read a report on the draft law on the universalization of primary education. Next, Comrade Tran Do, chairman of the National Assembly Culture and Education Committee, read a verification report on this draft law. On behalf of the Council of Ministers, Comrade Hoang Quy, minister of finance, read a report on the draft law on taxes on agricultural land use and the draft law on taxes on incomes generated by agricultural land. Comrade Mai Thuc Lan, vice chairman of the National Assembly Economic, Planning, and Budget Committee, read a verification report on these two draft laws. Comrade Pham Hung, chief justice of the Supreme People's Court, read a report on the draft law on amendments to some provisions of the criminal code. Toward the end of the 27 July session, Comrade Nguyen Tai, vice chairman of the National Assembly Judiciary Committee, read a verification report on this draft law.

Do Muoi National Assembly Speech, Part One

BK2807100191 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 27 Jul 91

[First installment of speech by Party General Secretary Do Muoi at opening of ninth session of eighth National Assembly in Hanoi on 27 July—recorded]

[Text] Dear Comrade Pham Van Dong, adviser to the party Central Committee,
Dear Comrade Vo Chi Cong, adviser to the party Central Committee and chairman of the Council of State,
Dear Comrade Le Quang Dao, chairman of the National Assembly,
Dear National Assembly deputies,
Dear foreign guests,
Dear comrades and friends,

On behalf of the Communist Party of Vietnam [CPV] Central Committee, I would like to warmly welcome National Assembly deputies attending the Ninth Session of the Eighth National Assembly of the Socialist Republic of Vietnam [SRV]. [applause]

A month ago, at this same historic Ba Dinh Conference Hall, the CPV convened the Seventh National Congress of delegates, which ended with fine success. This was an event of great significance for the revolutionary undertaking of our party and people as well as for the prospects of development in our country.

The seventh party congress took place at a time when there have been complicated developments in the national and international situation which have created new and favorable conditions. On the one hand, the development by leaps and bounds of the scientific-technological revolution, the internationalization of the world economy, the trends of cooperation and dialogue among countries in the region and the rest of the world, the positive efforts to reach a peaceful solution to the Cambodian issue, and the prospects for broadening friendship and cooperation on the basis of mutual interests between our nation and other countries and international organizations, have created new and favorable conditions from which we can extricate ourselves from poverty and backwardness.

On the other hand, the socialist camp has been caught in a comprehensively serious crisis. The renovation undertaking in the Soviet Union has faced numerous difficulties. In a number of countries, the communist parties have lost their leadership roles over the state and society. Taking advantage of this situation and making use of different schemes and means, hostile forces have intensified their multipronged offensives against socialism. They have made public their objective to eliminate socialism from the world before (?the turn of the century). The economic embargo against us has not yet been lifted. The harsh competition in the world market has caused considerable losses to us.

Those developments have exerted a negative impact on the national socioeconomic situation and adversely affected the theoretical and ideological thinking of a number of our party members and people.

After more than four years of implementing the comprehensive renovation line traced by the sixth party congress, and thanks to the outstanding efforts of the entire party and people, we have scored initial, yet very important achievements on the political, economic, social, national defense, security, and diplomatic fronts. Despite extremely difficult circumstances, we have made steady progress. Nonetheless, the country has not yet extricated itself from a socioeconomic crisis. Countless difficulties still lie ahead. Many new problems have emerged and need to be resolved.

The complicated national and international situations have raised important questions for our entire party and people to ponder as follows: Which path should our country follow? What must we do to promptly extricate ourselves from socioeconomic crisis; overcome poverty; and build a bountiful, free, and happy life?

The democratic and widespread political drive in the party and among the people to contribute opinions to the seventh party congress' draft documents, as well as the decisions reached by the congress, have asserted that to persist in the socialist goals and socialist path is the will, aspiration, and unshakable determination of our party and people.

We are convinced that socialism is the inevitable trend of development of history. While criticizing shortcomings and mistakes in the process of socialist construction, we do not see in these deviations the inherent and insurmountable nature of our regime, nor do we consider mistakes in a pervasive aspect, thus negating all our achievements and wavering in our socialist objective and path. Realities of the renovation have strengthened our confidence that this objective is attainable, provided we renovate our thoughts and actions and carry out socialist construction by such forms, steps, and measures in conformity with the historic circumstances, objective law, and interests of the country and the people. With administration of the people, by and for the people, and under the party leadership, we are convinced that we can mobilize and effectively develop the intellectual and labor forces of our society in order to combine the strength of our nation with that of the era, the internal strength with that of the international, and the traditional factor with that of the modern world to most effectively develop the economy, stabilize the political situation, and step-by-step advance toward socialism by passing the capitalist development stage.

The Seventh CPV Congress has set forth concepts and main objectives for the future socialist society. It has stressed the fundamental orientations and guidelines for the socialist construction in Vietnam, asserted our firm determination to continue with the renovation cause, thereby resolving the country's socioeconomic crisis so as to overcome poverty and backwardness by the year 2000, and to build a strong and prosperous Vietnam where the people are masters, laws are obeyed, oppression and injustice abolished, and a happy and bountiful life ensured for all. The congress also asserted its determination to carry out the policy to develop the multicomponent economy along the socialist path, implement the market-oriented system under state management in accordance with the law, plan, and policy, and other measures.

The congress also stressed the need to develop agro-forestry-fishery tasks, promote the processing industry, and build new rural areas to stabilize the socioeconomic situation while striving to step-by-step develop the economy along the path of industrialization and overcome backwardness in agriculture.

All strategies, plans, and policies of the party and state must be formulated on the basis of the people's interests, developing the economy, and ensuring social justice and progress. The congress also stressed the necessity to develop education and scientific-industrial training, considering this a basis for developing human resources—the main requirement for development.

The congress specifically upheld the requirement of broadening democracy, developing the people's rights to mastery, promoting law enforcement, strengthening the effectiveness of state management; opposing bureaucratism, corruption, smuggling, and other social vices; strengthening national defense; stabilizing political security and social order and safety; and creating favorable conditions for economic development.

The Seventh CPV Congress advocated efforts to establish relations with all countries regardless of their different sociopolitical systems on the basis of equality, mutual interest, and respect for one another's independence and sovereignty. The congress solemnly declared that Vietnam wants to befriend all countries in the international community and join the other countries in Southeast Asia and the world in actively contributing to the common cause of peace, stability, independence, and development. [applause]

Do Muoi Speech, Part Two

BK2807132391 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 27 Jul 91

[Second installment of speech by Party General Secretary Do Muoi at opening of ninth session of eighth National Assembly in Hanoi on 27 July—recorded]

[Text] The seventh national party congress asserted that in order to fulfill the heavy tasks entrusted by history, the party must renew, adjust itself, and enhance its leadership capacity. Therefore, the most important task is the continuation of the party building work to guarantee success. That must be considered a revolutionary duty.

In order to lead the political system and at the same time be a part of that system, the party sets itself the responsibility of increasing the people's involvement and places itself under the people's supervision within the framework of the Constitution and laws.

Having reached high unanimity on the above issues, the seventh national party congress constructed the correct political lines for the coming period of our national revolution. This prominent success marks another new mature step of our party and people in the creative application of Marxist-Leninism, Ho Chi Minh ideology, and humanistic values to the practical historic conditions of our national revolution.

Another remarkable success of the seventh party congress was the election of the party's new and leading organ, thereby showing the tradition of inheritance and generational change in leadership.

Our party soundly realizes that in order to fulfill its responsibility before the nation, the correct revolutionary lines and methods are required. Therefore, the party must have a Central Committee that is politically stable, full of creativity, and able to lead the entire party and people in the new stage, overcome difficulties and challenges, and quickly win every opportunity to take the country out of the socioeconomic crisis and continue to move forward on the socialist path.

After careful thinking and selecting in a democratic way, the seventh national party congress elected a seventh Central Committee with 146 comrades, the Political Bureau members, the Secretariat members, and a general secretary.

The congress also unanimously agreed with the Central Committee's proposal to ask Comrades Nguyen Van Linh, Pham Van Dong, and Vo Chi Cong to be in the

Board of Advisers to the seventh party Central Committee. And these comrades accepted the invitation. [applause]

The component of the seventh party Central Committee meets both the tradition of inheritance and the renovation requirements. We believe that with the support of the entire party and people, the seventh party Central Committee will victoriously fulfill the heavy task entrusted to the committee by the party and people.

With a new organizational structure and working method, the seventh party Central Committee will closely coordinate with the state organs, making the political system of the whole society work rhythmically, successfully guaranteeing the right of mastery of the people, and strongly moving forward with the renovation cause for the victory of socialism.

In the documents of the seventh national party congress, the Communist Party of Vietnam presented a great idea on the political system in our country. On the basis of evaluation of implementation of the sixth national party congress' resolutions, the seventh congress set forth tasks to continue with renovation activities and the relations between components of the political system. The seventh congress considered these duties as most important tasks to encourage socioeconomic development.

We have a policy of strengthening political stability to create favorable conditions for stabilizing and developing the economy. That policy has been confirmed by reality to be completely correct.

However, stabilization does not mean that we must maintain backwardness, obsolete practices, sluggishness, shortcomings, and a lack of initiative in the changing condition. If we are unable to promptly carry out renovation, especially on the inconsistent aspects of our political system, then these aspects of our political system will become obstacles to the economic development program and the platform to improve social life. As a result, the seventh national party congress outlined the duty of continuing the renovation. It asserted the necessity to improve the party leadership and satisfactorily strengthen relationships among the party, state, and mass organizations, while striving to improve the state mechanism.

It is not impossible to see that since the sixth national party congress we have achieved some achievements in this regard, especially when the National Assembly's activities are more direct and democratic, when the state mechanism has improved in performing its management role, and when the relations between the party and state have been renewed gradually.

However, some ideological and practical issues still remain and they must be examined and resolved, especially concerning the duty to renovate the state mechanism and relations between the party and state.

Do Muoi Speech, Part Three

BK2907075391 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 27 Jul 91

[Third installment of speech by Party General Secretary Do Muoi at opening of ninth session of eighth National Assembly in Hanoi on 27 July—recorded]

[Text] At this forum, please allow me to express my views on a number of issues concerning the relations between the party and state, and on the need to continue renovating the activities of the National Assembly so that it can exercise its functions as the highest organ of state authority.

In our opinion, at a time when the party is exerting its leadership over the administration, the level of efficiency and the effects of this leadership are shown mainly through the efficiency and results of the activities of the National Assembly, the government, the people's councils, and the people's committees at all levels. This is because the sole, common objective of our party and state is to serve the interests of the country and people. Only with a powerful state that is placed under the party leadership can all party lines and policies be applied to life with fine results.

Party leadership, if correctly administered, will not only prevent contradictions and limitations in the role of state organs, but also ensure that this role is brought into full play. To grasp and ensure harmonious relations between the party and state, we must first determine clearly the substance and mode of party leadership. Practical experience in the more than four years following the implementation of the sixth party congress has provided us with important concepts in this regard.

The party platform clearly states that the party exerts leadership over society through its platform, strategies, policy and position orientations, propaganda, persuasion, mobilization, organization, and the exemplary actions of party members. The party recommends outstanding members with sufficient capabilities and calibre of work for service in various leading organs of the administration and mass organizations. The party does not substitute itself for other bodies in the political system. The party leads the political system while being a component of that system. The party maintains close relations with the people, submits itself to the people's supervision, and operates within the framework of the Constitution and law.

The basis for delineating this boundary is the fact that the party is the nuclei of leadership and not a state management organ. Identifying party functions and tasks with those of the state will lead to a situation where the party's leading role as well as the state's managerial role and the people's right to mastery are jeopardized. We have known that such a mixed-up situation has existed—and to some extent still does—for some time. The overinterference of party committee echelons in many localities in the work of the administration has not ended. To put it simply, there have been cases where the party has taken over the work of the administration and the party has relaxed its leadership over the administration. Both have had equally bad consequences.

Life is more diversified and complex than regulations. There are concrete matters that cannot always be clearly determined, regardless of whether they must be decided on by the party or the administration. Accurate conclusions can be drawn only through a constant process of working and learning from experience, as this is a new issue. If we pay constant attention to this question, I think we can overcome this obstacle. Another important problem is in the period ahead. We should gradually translate these basic contents into a concrete mechanism for use as criteria for our actions.

The documents of the seventh party congress also advocated the concept of our state as a unified organ of power. Proceeding from the principle that power belongs to the people, and from a division of work and responsibilities, they conclude that the National Assembly is the highest organ of state authority and the sole body vested with constitutional and legislative powers, and the authority to decide on basic internal and external policies, including the task of socioeconomic development. It can exert supreme supervision over all activities of the state. These are very important functions; at the same time, they represent the high ideals and sense of duty of the National Assembly, as they bear on the people's destiny and the country's development prospects.

Over the past few years, our National Assembly has actively operated along this line. However, much remains to be done before it can fully discharge its functions as the highest organ of state authority. As the deputies have judged, the formalist character of its activities have not been completely eradicated. Its organization and work methods remain unwieldy and unscientific; for this reason, its operational efficiency is still low.

Do Muoi Speech, Last Part

BK2907092391 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 27 Jul 91

[Fourth and last installment of speech by Party General Secretary Do Muoi at opening of ninth session of eighth National Assembly in Hanoi on 27 July—recorded]

[Text] In my opinion, in the short run as well as the long run, the National Assembly should focus its activities on meeting two basic, central demands as follows:

First, it is necessary to build a legal state with the authority to formulate a unified legal system that meets the requirement of the social development program and the management of daily life through law enforcement. These are the conditions of a civilized and progressive society; a basis that ensures the effective implementation of the lines, positions, and policies of the party and state, and a key factor in making our social relations healthier.

Second, it is important to ensure the actual power and efficacy of the National Assembly as prescribed by the Constitution. The National Assembly forum must really be a mouthpiece of the people who speak through their deputies on national issues. The National Assembly is a forum not only for expressing their views on important national policies and the organization of their implementation but also for making observations on the administration's activities, including the question of personnel. All important questions falling under the authority of the state must be brought before the National Assembly for democratic debates and must not be presented to the National Assembly as faits accomplis. National Assembly resolutions are the highest orders with a legal character that no organization or individual may alter or refuse to implement. All powers of the National Assembly and its deputies as determined by law must be fully respected and realized.

This stresses the requirement for the National Assembly and each deputy to maintain their sense of vision, wisdom, and responsibility. This is to ensure that each law as well as each decision issued by the National Assembly will be of high quality. All these issues are related to our future efforts to improve the organization and activities of the National Assembly.

These issues involve the enhancement of the criteria of National Assembly deputies, National Assembly elections, the operational procedures of the National Assembly committees and people's councils, the definition of the responsibilities of the National Assembly administrative organs, National Assembly deputies' special and regular tasks, and so forth. All these issues which have already been projected in the draft amendments to the Constitution are necessary because they will enhance the quality of the activities of the National Assembly, thus guaranteeing conditions for the latter to have full power to render effective service.

There is little time left until the expiration of the eighth legislature of the National Assembly but much work remains to be done. I would like to suggest a number of major tasks for the National Assembly to carry out as follows:

1. Based on a full understanding of the various documents of the seventh party congress, the completion of the draft amendments to the Constitution is urgent. This is an issue that our National Assembly will have to resolve now. Next, it is necessary to solicit the views of broad segments of public opinions before these amendments are officially approved by the National Assembly at its session scheduled at the end of this year.

Along with adjusting, supplementing, and perfecting the existing laws, it is important to formulate other projected laws and regulations. These are heavy and complicated tasks. Therefore, we must show high determination and adopt a very scientific workstyle if we are to reach our objectives.

2. It is necessary to further renovate and consolidate the mechanism and the contingent of cadres in charge of National Assembly committees and state organs at all levels, in the direction of a streamlined and compact organization to guarantee work efficiency and satisfactorily institutionalize and implement the seventh party congress's resolution.

3. It is important to organize and motivate people of all walks of life to successfully implement the overall 1991 state plan, thus creating favorable preliminary conditions for implementing the socioeconomic tasks of the 1991-1995 five-year plan. It is necessary to attach importance to the immediate tasks to help resolve the difficult problems arising from business and production operations as well as from budget expenditures. It is important to reduce the budget deficit and inflation; to accelerate the struggle against corruption, smuggling, and tax collection shortfalls; to guarantee public security and order; and to stabilize the people's life.

4. It is imperative to enhance the role of the National Assembly in overseeing the implementation of major tasks set forth by the National Assembly to guarantee order and discipline and to make sure that people live and work in accordance with the law and that violations are dealt with to the full extent of the law without exception.

The documents of the Seventh CPV Congress have set forth basic short-term and long-term orientations and tasks for our nation and people to implement. It is difficult to build a correct political line capable of reflecting the will, aspirations, and wisdom of the people. It is even more difficult to apply this to life. In implementing this complicated and heavy task, the CPV puts its confidence in and pledges its determination to work closely with all political organizations in our country, especially the National Assembly. The CPV firmly believes that in developing the success of the seventh party congress, the National Assembly will continue to fulfill the heavy mission entrusted to it by the people in the new stage.

I wish the ninth session of the eight National Assembly fine success. I wish the National Assembly deputies good health. [prolonged applause]

Vo Chi Cong on Constitutional Amendments

BK2907070691 Hanoi VNA in English 0600 GMT 29 Jul 91

[Text] Hanoi VNA July 29—Vo Chi Cong, State Council president and head of the Commission for Constitutional Amendment, presented a report on the second draft of the amendments to the 1980 Consitution at the opening session of the National Assembly on July 27.

This is a main issue on the agenda of the current ninth session of the eighth National Assembly.

President Vo Chi Cong affirmed that in the implementation of the 1980 Constitution and the laws promulgated in its framework, the Vietnamese people have made important achievements in socialist construction and national defence. But in view of the substantial changes in the socioeconomic situation and the task of socialist construction and national defence, many points of the 1980 Constitution no longer suit the new situation.

The renewal policy put forward by the Communist Party of Vietnam requires that the Constitution be amended in order to create a necessary legal groundwork for accelerating the comprehensive renewal and steadily proceeding on the path of socialism, he said.

In making the draft amendments to the 1980 Constitution the Commission for Amendment of the Constitution has based itself on the four following cardinal principles:

First, the Communist Party of Vietnam is the leading force of the state and society. This role and responsibility are dictated by history, and recognized by the people.

Second, in Vietnam all power belongs to the people who make use of the state power through the National Assembly elected by themselves. The state power must be a centralized power. It cannot be divided into legislative power, executive power and judicial power as required by the three-power division theory, but is exercised through a clear assignment of powers and responsibilities between the National Assembly, the government, the Supreme Court and the supreme organ of control so that each of these bodies has its own power and rights in close coordination and cooperation, thus creating the integrated strength of a unified state power under the leadership of the party.

Third, the State of Vietnam is of the people, by the people and for the people, and it exercises socialist democracy.

Fourth, the Constitution must reflect the party's policy of allround renewal, particularly economic and political renewal. The mechanism in which the people are the master, the state, the manager and the party, and the leader must be fully reflected in the Constitution.

Beside the preamble, the 1980 Constitution comprises 12 chapters and 147 articles, of which 138 articles are revised in the draft amended constitution.

After approval by the National Assembly, the draft amended constitution will be widely published by the mass media for public comments.

Australia

Evans Says Government Supports EAEG Proposal

BK2607095091 Hong Kong AFP in English 0946 GMT 26 Jul 91

[Text] Singapore, July 26 (AFP)—Australia now accepts the Malaysian proposal for an East Asia Economic Grouping (EAEG) and does not consider it as a rival trading bloc, Canberra's foreign minister said here Friday.

Gareth Evans, speaking to reporters at the end of his three-day visit to Singapore, said the EAEG, in its original formulation, had appeared to be a rival trading bloc to the North American and European blocs.

He added that in its more recent formulations the EAEG was nothing more than another consultative process.

The Australian minister said he hoped the EAEG could take its place among other large organisations like the Asia Pacific Economic Cooperation and the Association of Southeast Asian Nations (ASEAN).

Earlier Friday, Mr. Evans paid a courtesy call on Deputy Prime Minister and Minister for Trade Lee Hsieng Loong.

He arrived here from Kuala Lumpur, where he attended the ASEAN post-ministerial meeting Monday and Tuesday.

Signs of Thaw in 'Frosty Relations' to Malaysia

BK2607092491 Melbourne Radio Australia in English 0500 GMT 26 Jul 91

[Text] There are signs of a thaw in the frosty relations between Australia and Malaysia. Gareth Robinson reports from Kuala Lumpur that this follows a visit to the Malaysian capital this week by Australia's Foreign Minister Gareth Evans.

[Begin Robinson recording] Malaysia's state-run television has made a (?pernicious) screen to a new documentary series on racism in Australia. [Words indistinct] earlier this year indicated that the Mahathir government wanted the media to show unflattering images of Australia. But a senior TV producer here says its now very unlikely the new documentary series will be screened.

Meanwhile, in what Australian officials see as a test case for a better relationship, authorities in Penang may reverse a decision to cancel a cultural exchange program from Adelaide. [end recording]

Evans Criticizes UK on FSM UN Application

BK2807083491 Hong Kong AFP in English 0800 GMT 28 Jul 91

[Text] Palakir, July 28 (AFP)—Australian Foreign Minister Gareth Evans claimed Sunday Britain has adopted "an excessively legalistic" stand in opposing the Federated States of Micronesia's (FSM) application for United Nations membership. His comments in a press conference followed an appeal earlier Sunday from FSM President Baily Olter that his north Pacific nation be accepted as an independent country.

The FSM formally applied Saturday to the Untied Nations secretary general in New York for membership of the UN. However, Britain is resisting the FSM application, claiming the former Trust Territory is not a sovereign, independent nation.

The FSM signed a "compact of free association" with the United States, former administrator of the territory, which came into effect in 1986.

Speaking at a press conference to mark his country's hosting of the annual South Pacific Forum, Mr. Olter said his government had lobbied extensively for membership.

"We are asking that those countries who are members of the UN will allow us the same chance of becoming a full member and we are asking humbly that all countries will support our effort. Maybe because we are small in the eyes of certain countries it means they do not see us as important as other countries, but once you are a country, you are a country."

As to Britain's view of the FSM's status, Mr. Olter said whatever the feelings of other countries, the compact was an international agreement between two, independent countries.

"We are independent, and are qualified to apply for full membership of the United Nations."

Mr. Evans said Australia supported the FSM's claim and had opened an embassy here to recognise it. He said Britain had gone as far as refusing to accept the FSM passport as a legal document.

"Britain was being excessively legalistic about it," he said. He said he expected Britain's position, now the FSM had filed it's appication,should be clearer in the next few days.

A British minister, Lord Caithnest? would be here Wednesday to-forum dialogue briefing.

"We might know then what the position will be," Mr. Evans said.

Britain can veto the FSM's application.

PRC Prisoners off Limits to Human Rights Group

BK2707075491 Melbourne Radio Australia in English 0500 GMT 27 Jul 91

[Text] An Australian human rights delegation has ended a 12-day visit to China with its leader Chris Schacht confident that the group has achieved its aim. Kate Wall reports from Shanghai this is despite lack of access to sensitive institutions.

[Begin recording] [Wall] Senator Schacht believes one of the delegation's major achievements had been a promise from China's leaders that another visit is welcome. Schacht hopes future delegations have more luck in visiting political prisons and speaking to the inmates. But he says China's imposed restrictions have not affected the delegation's aims.

[Schacht] We have still been able to get commitments that there will be an ongoing dialogue. There will be exchanges of information from various government departments with Australia and I think we have achieved the bottom line, which was to establish an ongoing dialogue. [end recording]

Fiji

Government Welcomes Opposition's Election Stance

BK2907063191 Hong Kong AFP in English 0607 GMT 29 Jul 91

[Text] Suva, July 29 (AFP)—Fiji's military-backed government welcomed Monday the decision of the main opposition party to contest general elections under the country's racially biased constitution.

The change of heart by the National Federation Party (NFP) "gives tacit recognition to the new constitution," commented Information Minister Ratu Inoke Kubuabola.

The NFP said on Sunday that it had decided to "fight from within the system" so as not to leave the country's ethnic Indian community without a voice in parliament.

NFP President Balwant Rakka said he would urge the party's ally, the Fiji Labour Party (FLP), to follow suit and reverse a decision to boycott elections scheduled for May next year.

The NFP said, however, that it would continue to campaign for reform of the constitution, promulgated in July last year.

Under the Constitution, indigenous Fijians, who make up about 47 per cent of the population, will have 37 seats in parliament while the Indian community, which accounts for 44 per cent of the population, will have only 27. Smaller minorities will have a total of six seats.

Former opposition leader Jai Ram Reddy warned delegates at a meeting of the NFP on Sunday that if they boycotted the election, "irresponsible people" would seek election instead.

"There are a number of people who are willing to be candidates," he said. "After they are elected, the world will slowly begin accepting them as Indian people's representatives."

Mr. Reddy served as attorney-general in Fiji's last elected government, a coalition of the NFP and FLP which was overthrown in a military coup in 1987.

The army tore up the 1970 constitution dating from Fiji's independence from Britain and installed an interim administration under Prime Minister Ratu Sir Kamisese Mara which rules today.

Dr. Rakka, a doctor of medicine, said he would urge the FLP to drop its boycott of the election when the parties meet for a joint conference on August 16. "I see no difficulty in cooperating and fielding a joint slate of candidates if both parties decide to take part," he said.

The acting coalition leader, Harish Sharma, told the meeting that only a strong turnout of Indian voters would demonstrate their opposition to the Constitution.

"Indians should elect their 27 reps with big majorities as a sign of opposition," Mr. Sharma said.

"Every Indian vote cast in election would be against the new constitution."

Premier Says Oil Firms 'Robbing' by Overcharging

BK2907101991 Hong Kong AFP in English 0957 GMT 29 Jul 91

[By Michael Field]

[Text] Palikir, July 29 (AFP)—Fiji Prime Minister Ratu Sir Kamisese Mara agreed Monday that three multinational oil companies had robbed Fiji for the last 20 years by overcharging.

His comments came at a press conference as he reported the outcome of the first day of the annual South Pacific forum here.

A major topic in the session was a decision earlier this month to stop the Fiji subsidiaries of Mobil, Shell and BP [British Petroleum] from importing refined petroleum into Fiji, which will now import it from Singapore itself, selling it to the oil companies in Fiji.

The forum is concerned about the decision because 40 per cent of the fuel Fiji imports is shipped on to other forum countries.

Asked if the oil companies had been systematically robbing Fiji for the last 20 years he said: "It's your words, but I agree with it."

Oil companies had been misleading Fiji, he said.

"The oil companies operating in Fiji now charge Fiji as if the fuel were shipped from Singapore, which is not the case."

"We now learned that almost 90 per cent of the oil came from Australia and New Zealand refineries," he said.

"We've been told all along, for the last 20 years at least, that we have to pay the price for the importation of oil from Singapore to Fiji. So we thought why shouldn't do it ourselves."

The new procedures, involving Malaysian crude refined in Singapore, would not touch the wholesale and retail distribution networks of the companies outside Fiji, he said.

Ratu Mara said Tonga, Tuvalu and the Cook Islands supported Fiji, and Fiji would sponsor a meeting between the oil companies and regional energy ministers to discuss the issue.

He said specific concerns arose at the forum about Fiji's move.

He said while he could not guarantee oil prices would not go up, any rises would be the result of "other factors" such as increased demand in Asia and the Pacific, refining increases and tanker shortages.

"Every objection the oil companies raised in Fiji have been answered satisfactorily to both sides," he said.

On other issues, Ratu Mara said a number of nations expressed concerns about Pacific representation at the United Nations conference on environment and development.

But only two of the 15 forum members had ratified the International Law of the Sea Convention, he said.

"Only 13 more (nations) are needed to bring the convention into force. I thought this is an opportunity for the forum countries to contribute."

On Fiji politics, Ratu Mara said his country was on course to return to democracy following two military coups in 1987.

New Caledonia

French Minister Louis le Pensec Starts Visit

BK2607135391 Hong Kong AFP in English 1351 GMT 26 Jul 91

[Text] Noumea, July 26 (AFP)—France's minister for overseas territories, Louis le Pensec, began a visit to New Caledonia on Friday, speaking of a revival of the "dynamic" of the Matignon accords.

Three years have passed since the agreement—which calls for a referendum in 1998 on self-determination for the French pacific territory— was signed, Mr. Le Pensec said.

"But we have the hope of not going back to the routine, and maybe the time has come to revive the dynamic of these accords to give them all their potential," he said.

Mr. Le Pensec, making his first trip to New Caledonia in a year, met Friday with pro-France legislator Jacques Lafleur and with politburo members of the pro-independence Kanak National Socialist Liberation Front (FLNKS).

He also met Francois Burck, president of the Caledonian union, the leading FLNKS faction, and elected officials from southern province, where a majority support New Caledonia remaining a part of France.

The minister travels Saturday to the territory's northern province, where pro-independence feelings run strong, then goes Monday to the province of the Loyautes Islands.

More on French Minister's Visit

BK2707135491 Hong Kong AFP in English 1200 GMT 27 Jul 91

[Text] Noumea, July 27 (AFP)—Three years after the signing of the Matignon Accords the French minister for overseas departments and territories urged a new stage of development and readjustment in New Caledonia.

Louis Le Pensec was speaking to representatives of the French territory's northern province in the western coastal town of Kone, 180 kilometres (110 miles) north of here.

"It is clear that three years after the signing of the accords, and thanks to the considerable efforts that have already been made, the territory's needs and priorities are no longer quite the same," he said.

"We must continue in the same direction and with the same methods, but, while building on what has already been accomplished, we must begin a new stage in the territory's development and readjustment," he added.

The accords were signed in Paris in 1988 between the French government, the pro-independence Kanak Socialist National Liberation Front and the pro-French Rally for Caledonia in the republic, providing for a 10-year development and reform plan, followed by a referendum on independence in 1998.

During his visit to New Caledonia's northern province, the French minister met with its president, Leopold Joredie, and also lay the foundation stone for a new agricultural college at Pouembout, also on the western coast.

After viewing from his plane the construction of a road that will join the province's western and eastern coasts between Kone to Tiwaka, the minister inspected work on a Club Mediterranean village being built at the eastern coastal town of Hienghene, 200 kilometres (120 miles) from here.

Mr. Le Pensec also went to Ponerihouen commune, where he visited an agricultural training centre and announced his desire to see an enhanced role for communes in the next stage of New Caledonia's economic development.

"The second generation of development contracts to come into force in 1993 should pay more attention to the needs of communes and give expression to the solidarity which links the communes to the state and the provinces," Mr. Le Pensec said.

The minister will Monday visit New Caledonia's Loyalty Islands, where he will meet provincial officials and the representatives of local leaders on the island of Ouvea.